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**Reform in Progress:
The Emergence of Collaborative Adjustment for Human Services in the 1990s**

by

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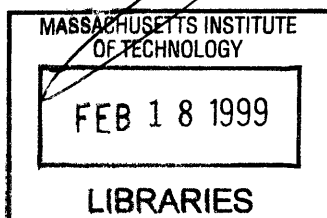
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ABSTRACT

This dissertation examines current human services reforms in Georgia, Iowa, Minnesota, Missouri, and Oregon that address the challenge of reconciling bureaucratic flexibility with public accountability in policy making and administration. The states grant local partnerships of service providers and recipients, public agency representatives, and local residents flexibility in designing and delivering services for children and families. In exchange, the partnerships commit to achieve measurable gains in the effectiveness of services.

The study identifies the new policy tools that reformers are utilizing to improve the performance of human services. It also describes the iterative, bottom-up process of reform through which states are developing and adopting these tools, as well as the historical conditions that have made their emergence possible. This reform process calls into question the analytic separation of the processes of implementation and policy change, and -- if it continues -- the distinction between small-scale "muddling through" and larger "big bangs" of policy innovation. In their place, the dissertation offers a theory of gradual policy change driven by practitioners, which entails the creation of multiple political leverage points and the use of an iterative approach to policy learning.

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Chapter 1: Introduction

With the Cold War and connected ideological struggles over state- and market-based policies receding into recent memory, a number of public policy scholars have begun to consider some of the hard questions with which pragmatic practitioners have long struggled: How can we design public policies so that they address policy problems by including relevant interests in policy design and implementation, so as to foster civic participation and democracy?¹ More specifically, how might we create trust and cooperation among law makers, administrators, implementers, beneficiaries, and citizens in general so as to achieve complex public policy goals more effectively?²

Even as theorists pose these worthy questions in the academy, some creative practitioners are experimenting with prototype solutions. Recent state and local innovations in community policing, human services, environmental regulation, and other policy areas reflect not just attention to these critical dilemmas of policy making, but the emergence of promising alternatives to received practices. Developments in the field have gone beyond asking whether we can solve problems of collaborative policy making, to specifying how we might do so in particular policy areas.³ Given that alternative solutions -- however partially formed -- have begun to emerge on the ground, the analytic task at hand goes beyond identifying abstract principles of democratic, trustful policy design, to specifying the design of these emerging solutions. In addition to understanding better how they work, the aim must be to characterize the processes of their development, so as to reveal promising ways to foster and support similar innovations in the future.

I. Current Dilemmas of Welfare State Reform

Many of the emerging innovations constitute tentative, pragmatic responses to the frustrations of policy makers, practitioners, and citizens alike. Indeed, the fast pace of today's economy, along with other pressures to improve government performance, make adaptive innovation essential if the U.S. welfare state is to address rapidly changing socio-economic circumstances and policy problems effectively. Many social policies, such as human services and anti-poverty programs,

¹ See, for example, A. Schneider and H. Ingram, *Policy Design for Democracy* (Lawrence, KS: University Press of Kansas, 1997); H. Ingram and S.R. Smith (eds.), *Public Policy for Democracy* (Washington: Brookings Institution, 1993); P. DeLeon, *Democracy and the Policy Sciences* (Albany, NY: State University of New York Press, 1997).

² See, for example, R. Putnam, "The Prosperous Community: Social Capital and Public Life," *The American Prospect* 13, Spring 1993; D. Carnevale, *Trustworthy Government* (San Francisco: Jossey-Bass, 1995). For an in-depth study of these dilemmas in the area of environmental policy, see D. Scheberle, *Federalism and Environmental Policy: Trust and the Politics of Implementation* (Washington: Georgetown University Press, 1997).

³ On community policing, see D. Livingston, "Police Discretion and the Quality of Life in Public Places: Courts, Communities, and the New Policing," *Columbia Law Review* 97(3), 1997, pp. 551-672; A. Fung, "Street-Level Democracy," unpublished Ph.D. dissertation, MIT Political Science Department, 1998. On collaborative governance for human services, see J. Waldfogel, "The New Wave of Service Integration," *Social Service Review*, September 1997; Center for the Study of Social Policy, *Toward New Forms of Local Governance: A Progress Report from the Field* (Washington: Author, 1996). Regarding innovative environmental regulation, see M. Dorf and C. Sabel, "A Constitution of Democratic Experimentalism," *Columbia Law Review* 98(2), 1998, esp. pp. 373-88.

face the particular challenge of increasing their responsiveness to the specific situations of individual families. A comparable demand has arisen in recent years for social policies that respond flexibly to the circumstances of entire communities, as human needs have come to vary more and more from one community to the next, following the increase in the stratification of wealth.

Most traditional policy proposals that permit solutions to vary from one community to the next, however, engender problems of equity and accountability. Local discretion in decision making may result in the allocation of public funds for services and benefits that do more to help local elites maintain their hold on power than to accomplish the policy goals put forth by central law makers or to address the priorities of local citizens. The long history of discrimination against new immigrants and people of color by local leaders in many parts of the United States demonstrates that concerns about the unchecked use of discretion are well founded.

The seemingly inevitable trade-off between responsiveness and accountability has long frustrated students of public policy. Proponents of the rule of law decry ambiguities in policies that permit local officials to exercise discretion.⁴ Others vehemently insist that local discretion is necessary for the effective administration and implementation of various types of policies, especially the human services.⁵ As this philosophical battle has raged, skepticism about the effectiveness and even the desirability of certain kinds of social policies has become increasingly common among some social scientists and in public policy debates over the last few decades.⁶

The first fundamental dilemma of welfare state reform, then, is a problem of policy design. Are there ways to design policies so as to foster effective solutions to particular public problems by encouraging local actors to devise responses to their own particular circumstances, without sacrificing some kind of accountability mechanism?

Many current proposals that seek to resolve this dilemmas entail some form of devolution. Considerable time and energy have gone into the recent public debate around devolving policy responsibilities from the federal government to the states, and in turn from the states to the local level.⁷ Indeed, devolution seems to be the design of choice for new federal social policies these

⁴ See, for example, K.C. Davis, *Administrative Law Text*, Third Edition (St. Paul, MN: West, 1972); T. Lowi, *The End of Liberalism*, Second Edition (New York: Norton, 1979).

⁵ See, for example, D. Brand, *Corporatism and the Rule of Law* (Ithaca, NY: Cornell University Press, 1988). For specific applications to human services, see J. Handler, *The Conditions of Discretion* (New York: Russell Sage, 1986); M. Lipsky, *Street-Level Bureaucracy* (New York: Russell Sage, 1980).

⁶ See, for example, the proposal to abolish welfare in C. Murray, *Losing Ground* (New York: Basic Books, 1984). In the realm of party politics, this trend is illustrated by the overall shift to the right in the platforms and leadership of the Republican and Democratic parties over the last twenty years. For data from public opinion polls indicating that many members of the public think that public assistance in the form of welfare traps families in poverty and dependency, see R. Blendon, D. Altman, J. Benson, et al., "The Public and the Welfare Reform Debate," *Archives of Pediatric Adolescent Medicine* 149(10), October 1995, pp. 1065-69. For a summary of recent findings about public opinion on welfare reform, see K. Weaver, "Ending Welfare as We Know It," in M. Weir (ed.), *The Social Divide* (Washington: Brookings, 1998), p. 373.

⁷ See, for example, J. Donahue, *Disunited States* (New York: Basic Books, 1997); P. Peterson, *The Price of Federalism* (Washington: Brookings Institution, 1995); A. Rivlin, *Reviving the American Dream* (Washington: Brookings Institution, 1992).

days, as evidenced by the welfare reform legislation of 1996 and the Supplementary Child Health Insurance Program of 1997.⁸

The challenge of accountability, however, suggests that devolution of authority by itself is an inadequate solution. Pure-form devolution simply “load sheds” policy problems and fiscal responsibilities from higher levels of federalism to lower ones, without providing policy makers any guarantee of accountability. With careful attention to the details of the intergovernmental arrangements for administration and accountability, though, some forms of devolution may have the potential to foster more creative, flexible responses to local conditions than uniform central policies can, without giving rise to untrammelled discretion in the process. In ideal form, devolutionary policies would encourage but also measure the performance of local experiments, and apply appropriate consequences to the actors accountable for successes and failures.

In addition to accountable devolution arrangements, today’s human services policies also require collaboration in order to respond effectively to families’ needs. To address the current challenge of responsiveness, government must offer services appropriate to the various needs of different individuals and families. Addressing different families’ needs responsively requires ensuring that service providers work with families more as partners and less as clients. In many cases it also requires coordinating the delivery of several different services to the same family. The policy makers, administrators, and service providers who design and deliver various programs for children and families (including juvenile justice, child welfare, child care, welfare-to-work, public and mental health, special education, and other services) conduct much of their work independently of one another, yet the problems they seek to address afflict many of the same families. Collaboration among these actors might improve policy effectiveness, but most current policy making and management practices hinder, rather than encourage, collaboration.

The potential of both devolution and collaboration to improve the effectiveness of human services programs thus depends on crafting and adopting novel policy making and administrative arrangements that structure responsibilities and relationships among key actors in new ways.⁹ Recent research suggests, for example, that the potential for collaboration may depend substantially on the design of governance institutions.¹⁰ In particular, participatory structures for decision making about human services may facilitate collaborative policy making and implementation in all aspects of the policy process -- from design through implementation.¹¹ A number of imaginative proposals for more collaborative, decentralized governance institutions

⁸ Indeed, Weir argues, “Devolution to the states is quickly becoming the dominant way of assisting the poor.” M. Weir, “American Politics and the Future of Social Policy,” in M. Weir (ed.), *The Social Divide* (Washington: Brookings Institution, 1998), p. 511.

⁹ See, for example, B. Radin, R. Agranoff, et al., *New Governance for Rural America: Creating Intergovernmental Partnerships* (Lawrence, KS: University Press of Kansas, 1996).

¹⁰ See, for example, F. Weissing and E. Ostrom, “Irrigation Institutions and the Games Irrigators Play: Rule Enforcement on Government- and Farmer-Managed Systems,” in F. Scharpf (ed.), *Games in Hierarchies and Networks* (Boulder, CO: Westview Press, 1993).

¹¹ L. Lynn, “Assume a Network: Reforming Mental Health Services in Illinois,” *Journal of Public Administration Research and Theory*, 6(2), April 1996.

have recently emerged from both theorists and practitioners, putting possible futures of welfare state policy making arrangements on the table for discussion.¹²

Developing new governance structures entails rearranging power relationships among various actors in the policy making process, however, threatening those who stand to lose from change. Complicating the prospects for achieving such constructive reform is the concomitant push from other quarters for “smaller government solutions” and less public spending. Differentiating proposals to improve governmental effectiveness through accountable devolution from those intended merely to decrease its size can be difficult. Political controversy and confusion thus go hand in hand with current proposals for systemic reform. In addition to threatening existing bases of power and authority, reforms may destabilize working relationships among policy makers, organized interests, line staff, and beneficiaries that facilitate the design and implementation of effective policies. Making the transition to new governance structures -- even more collaborative ones -- may strain or destroy any stable, trusting relationships that already exist among actors, thereby limiting the chances of establishing effective collaboration in the future.¹³

Hence today’s welfare state modernizers confront a paradox: New policy making and administrative arrangements may greatly facilitate collaboration and constructive devolution, which can enhance the adaptability and effectiveness of public programs. The innovation necessary to create these new institutions, however, may destabilize whatever collaborative tendencies already exist among policy makers, and may engender significant opposition from actors who now influence critical aspects of policy design and implementation. If reform proponents fail to address this political opposition, they may find their reforms blocked, or so compromised as to be ineffective. If they bypass or override opponents’ concerns, the new governance institutions they establish may be populated by actors who are hostile to one another and incapable of working together, regardless of the new institutional arrangements structuring their efforts.

Hence the second basic dilemma of welfare state reform has to do with change strategies: What kind of strategy(s) might make possible the adoption and institutionalization of policies that combine responsiveness to local conditions with accountability to central policy makers and the public?

¹² Following Dorf and Sabel, I use the term “democratic experimentalism” to refer generically to such policy making arrangements. See M. Dorf and C. Sabel, “A Constitution of Democratic Experimentalism.” Other theoretical examples include the discussions of “integrative policy regimes,” and “secondary associations for democratic governance” in, respectively, M. Ruggie, *Realignments in the Welfare State* (New York: Columbia, 1996); J. Cohen and J. Rogers, *Associations and Democracy* (New York: Verso, 1995). Practitioner proposals include L. Schorr, *Within Our Reach* (New York: Anchor, 1988); L. Schorr, *Common Purpose* (New York: Anchor, 1997); J. O’Looney, *Redesigning the Work of Human Services* (Westport, CT: Quorum, 1996); and various publications of the Center for the Study of Social Policy, the Chapin Hall Center for Children, the Finance Project, the National Center for Service Integration, and others (cited below in later chapters).

¹³ On the importance of trust in ensuring that the staff of hierarchical organizations all work to pursue organizational objectives, see G. Miller, *Managerial Dilemmas of Hierarchy* (Cambridge, 1992). On the benefits of trust for organizational learning and hence governmental effectiveness, see Carnevale, *Trustworthy Government*. On the value of trust among interest groups collaborating to make policy, see J. Gruber, “Coordinating Growth Management through Consensus-Building,” Institute of Urban and Regional Development Working Paper 617 (University of California at Berkeley, April 1994).

Would-be reformers need an institutional change process that recognizes the likelihood of political opposition and destabilization of relationships, and that actively seeks to build political support for reform and sustain trust throughout the reform process. As we will see, no optimal political formula exists, but some practitioners have enjoyed some success by pursuing piecemeal series of reforms that develop a self-reinforcing momentum.

Taken together, the two dilemmas of welfare state reform identified here suggest two research questions:

- What might the design of a system of policy making and administration for human services look like that reconciles local flexibility and collaboration with provisions for accountability?
- What is the process of change through which such a system might emerge?

The remainder of this chapter sets the stage for later chapters' efforts to answer these questions. After characterizing the existing human services system and its limits, the chapter offers a brief gloss of emerging developments in a handful of leading states that represent attempts to overcome those limits in flexible, collaborative, accountable ways. The chapter then introduces the political challenges that these reform initiatives confront, by describing the context and characteristics of current efforts to reshape human services policy making and administration. The chapter concludes with a summary of the argument in the chapters to come.

II. The Existing System of Human Services and Its Limits

The research questions posed above are impossible to answer in the abstract, because policy making arrangements that encourage flexible decision-making in response to local conditions represent a complete departure from the existing system of human services in the U.S. That system operates on the premise that equity and accountability necessarily require government to offer uniform benefits to all clients with similar problems. As a result, it has not adapted well to the challenges of economic regionalization and the disintegration of poor communities, which have exacerbated differences -- and hence optimal responses in terms of benefits -- among clients and across communities.

Human services are personal interventions to assist people who face disadvantages of one type or another. They seek to address needs that individuals and families have in areas such as child welfare, child mental health, child care and development, developmental disabilities, juvenile justice, and employment and training. Different services seek to foster children's healthy growth and development, to prevent child abuse and neglect, to help people with disabilities succeed in school or in the job market, to prepare unemployed people for work and help them find jobs, and to take other steps to mitigate the worst effects of poverty and disability on individuals and families.

In addition to pursuing these nominal goals, human services policies can serve other aims as well. They can represent symbolic attempts by policy makers to give the appearance of taking

action to assist people with disadvantages.¹⁴ They can constitute efforts by political “patrons” to empower individuals -- or even entire communities or sub-populations -- who face disadvantages, by improving their access to public resources (e.g., direct services themselves, contracts or jobs providing services, access to decision-making about the distribution of services).¹⁵ They can bolster the skills and availability of low-wage workers in labor markets, in order to assist employers.¹⁶ Any human services policy has at least some potential to achieve each of these types of goals (helping, symbolic, political, or economic), although its design and implementation will inevitably privilege the achievement of some types of goals over others.¹⁷

The federal and state governments in the U.S. currently offer human services to individuals facing disadvantages through categorical entitlements. Central laws and regulations delineate specific criteria that establish categories of need and appropriate benefits (e.g., specific cash grant levels or particular clinical interventions). Anyone whose condition meets the criteria for a particular category of need is entitled to receive the corresponding benefit. Public funding is (ostensibly) budgeted to support the provision of benefits to every one who is entitled to them.¹⁸

The design of this categorical system constitutes a one-size-fits-all recipe in its division of responsibilities and accountability mechanisms.¹⁹ Once a category of need and benefits is established in law, beneficiaries receive the benefits to which they are entitled unless later legislation amends or rescinds them. Legislation and administrative rules can adjust categories or create new ones,²⁰ but the operational principles of the system remain stable: If I fall into one of the specified categories of need, I receive the benefit that goes with it. The division of labor among administrators and implementers also remains stable: central policy makers establish discrete categories of human need and prescribe benefits that address them; front-line staff identify the category(s) into which an individual falls, and provide the corresponding benefit(s). Such arrangements lend themselves, finally, to standardized accountability procedures. Equity of treatment can be assured for similar cases, because individuals whose needs place them in the same category receive the same benefit, while those whose needs place them in other categories

¹⁴ See M. Edelman, *The Symbolic Uses of Politics* (Urbana, IL: University of Illinois Press, 1964). On symbolic activity in human services policy, see J. Weiss, “Substance vs. Symbol in Administrative Reform: The Case of Human Service Coordination,” *Policy Analysis* (1981), pp. 21-45.

¹⁵ See J. Handler, *Down from Bureaucracy* (Princeton, NJ: Princeton University Press, 1996); J. Walker, *Mobilizing Interest Groups in America* (Ann Arbor, MI: University of Michigan Press, 1991).

¹⁶ See F.F. Piven and R. Cloward, *Regulating the Poor*, Updated Edition (New York: Vintage Books, 1993).

¹⁷ The design and implementation of many human services policies developed during the War on Poverty, for example, focused more on political incorporation and empowerment than on their nominal purpose of providing services to individuals in need and developing local economic capacity in inner cities. See P. Marris and M. Rein, *Dilemmas of Social Reform: Poverty and Community Action in the United States*, Second Edition (Chicago: University of Chicago Press, 1982).

¹⁸ This stylized portrait draws heavily on D. Stone, *The Disabled State* (Philadelphia: Temple University Press, 1984).

¹⁹ Actual operations often depart dramatically from this one-size-fits-all design, due to discretion in implementation. See, for example, J. Mashaw, *Bureaucratic Justice* (New Haven, CT: Yale University Press, 1983); Handler, *Conditions of Discretion*; Lipsky, *Street-level Bureaucracy*. The argument here is about the design of the categorical system, however. I characterize problems of implementation and application in the paragraphs that follow.

²⁰ Recent examples include the extension of civil rights protections to individuals with disabilities, the expansion of Medicaid, and the curtailment of Social Security Insurance payments to children with less severe disabilities.

receive different benefits. Service providers can record their diagnoses and service delivery practices to demonstrate their comportment with the requirements of the system.²¹

In recent decades, however, these activities have become increasingly difficult to carry out. Since the New Deal created the operating principles of the categorical system 60 years ago, both the number of categories and the complexity of needs they seek to redress have expanded dramatically. The War on Poverty and successive federal legislation, along with new state programs, have added categories of need related to child welfare, child mental health, juvenile justice, family preservation, child care, job preparation and training, special education, and a host of other areas to the original categories of need, such as old age and single parenthood. During the 1980s and early 1990s, moreover, social conditions worsened for many families facing disadvantages.²² The proliferation of categorical programs and intensification of human needs in particular families and neighborhoods have combined to produce a situation in which categories of needs and benefits now overlap and are ambiguous for many social policy beneficiaries. Such overlaps and ambiguities are even more likely in the case of an entire family or household, because the needs of various members are often interdependent.²³

Under these circumstances, individual services that address each need as a separate category may be less effective than a customized package of services that comprehends the full range of problems that a particular family faces.²⁴ Such customization of service delivery is difficult to achieve in a human services system in which categories of need, financing for services, and the design of services themselves are uniformly designated by central legislatures in a one-size-fits-all fashion. Central law makers can never know in advance exactly where and how clients' needs will overlap. A legislature cannot specify unambiguous categories of need for many families with multiple social problems -- much less distinct, effective benefits to address their complex combinations of needs. As a result, the children and families who qualify for multiple categorical services in the existing system encounter myriad service providers, application forms, rules, and service delivery processes -- none of which may fully address their particular needs. The existing system's once-size-fits-all recipe thus offers a fairly low level of responsiveness to the needs of many families who face multiple disadvantages. The apparent procedural simplicity of a categorical system has become a tangle of overlap and ambiguity in practice.

²¹ Here I ignore problems of fraud or abuse that may arise from failures in execution. The point is that a categorical system ideally offers a uniform, unchanging recipe of benefits to all clients.

²² N. Bennett and J. Li, *One In Four* (New York: National Center for Children in Poverty, Columbia School of Public Health, 1996).

²³ For example, single parents who need job training or substance abuse treatment may also need child care; parents at imminent risk of having children placed in foster care may need substance abuse treatment, in addition to various child welfare services.

²⁴ Research suggests that such packaging is an effective way to serve children and families who face disadvantages. Over the past two decades, studies of direct services for children and families indicate that effective social programs address the multiple needs and risks that entire families face, and vary in specific response to different families' particular strengths and needs. Schorr, *Within Our Reach*; J. Kinney, K. Strand, M. Hagerup, and C. Bruner, *Beyond the Buzzwords: Key Principles in Effective Practice*, Resource Brief (Falls Church, VA: National Center for Service Integration, 1994).

III. The Emerging System and Its Prospects

Confronting these challenges in various ways, reformers in a handful of states are currently trying to develop and implement a new, partially-devolved human services system that features a negotiated partnership between collaborative governance institutions at the state and local levels. Developments on the ground thus offer a glimpse of an answer to the first research question posed above, about the design of a collaborative, decentralized, accountable approach to making and administering human services policies. No state's reforms are institutionalized yet, but it is possible to sketch an ideal version of the emerging system by cobbling together innovative principles and best practices from leading states.

In such a system, the state legislature would authorize broad-based collaboratives at the state and local level to carry out the public obligation to assist children and families in ways that respond to the particular needs of individual families. Decisions about service delivery, programming, and staffing for various types of human services (e.g., child care, child welfare, child mental health, public health, juvenile justice, and welfare-to-work) would be made at the local rather than the state level, subject to state review and approval. Local decision makers would commit to working with the state to measure the results their decisions achieve, and to revising their management and service delivery strategies repeatedly, to try to increase their effectiveness steadily over time. The state, in return, would offer funding, technical assistance, regulatory flexibility (e.g., waivers), and opportunities for local collaboratives to learn from one another and from similar efforts in other states about best practices in service planning, delivery, and assessment.

More specifically, two teams -- an interagency team of state officials and county-level community partnerships -- would share responsibility for human services policy making and management. The community partnerships would assess the needs of local children and families; identify particular data indicators measuring the well-being of children and families that correspond to the results they commit to achieving; design annual comprehensive plans to achieve those results using preventive, comprehensive service strategies; estimate the budget and staff needed to implement their plans; and submit a proposal to the state. The state team would meet regularly (say, annually) with each community partnership to assess the impact of its past service strategies and plans on the well-being of children and families, and to renegotiate the terms of the state-local partnerships. Based on this assessment, they would discuss ways to improve the design and execution of local service strategies, as well as how to adjust the division of responsibilities between the state and local levels to take best advantage of each one's resources and capacity. The state team would review the community partnership's comprehensive plan for the upcoming year and suggest potential improvements in light of this discussion. After state approval and funding of the comprehensive plan, front-line teams of service providers from different agencies would implement it at the neighborhood level. The state and the community partnership would work together to measure data indicating changes in the well-being of children and families. Local collaboratives whose plans proved less effective than others at improving outcomes for children and families might receive additional technical assistance from the state team or from their more successful peers. In extreme cases the state might take over their planning and service delivery processes, or merge them with more successful neighboring community partnerships.

I use the term “collaborative adjustment” to refer to this kind of human services system, because it would rely on a particular set of policy tools for human services. Formal collaboration among various organizations at the local and state levels would replace discrete policy making in different agencies and areas of human services. Negotiated agreements between these state and local partnerships would replace hierarchical or contractual relationships between state administrators and local implementers. At the same time, the new system would discipline these collaborative efforts in two ways. The state and local teams would measure the impact of their work on the well-being of children and families, and revise local service strategies and the state-local division of responsibilities regularly, in light of their experiences in practice. Such mutual adjustment in response to results achieved would make the operations of the system accountable to policy makers and to service recipients.

In contrast to the one-size-fits-all design of the existing human services system, an ideal system of collaborative adjustment would operate as a dynamic process, varying across time and space (from one community to the next) based on the local capacity to address families’ needs. By establishing regular occasions for systemic assessment and revision, it could create a process of ongoing adjustment to foster continuous improvement in the well-being of children, families, and ultimately communities.

A number of states have begun to take first steps to instigate new relationships of this sort across state human services agencies, or to establish service collaboratives at the local level. A handful of leading states have moved further, toward granting community partnerships increased authority over state resources in exchange for a promise to measure and improve the results they achieve. I studied the reform efforts that have emerged over the past decade in five of these leading states: Georgia, Iowa, Minnesota, Missouri, and Oregon.²⁵

While it has borne less fruit in practice thus far, similar thinking has emerged regarding the relationship between the federal government and the states. The Clinton administration’s early strategy, of systematically granting waivers to states in different policy areas (most notably Medicaid and welfare reform), basically amounted to an informal version of the state-local relationship under collaborative adjustment, transposed to the federal-state level. Through the process of negotiating the specific provisions of waivers, federal agencies and state governments discussed and jointly set the rules for state-designed versions of existing policies. During these negotiations, they made explicit decisions about which provisions of existing policies each state would have to abide by, and which provisions would be waived. They also designated a process for evaluating whether or not the state’s waiver represented a worthwhile innovation, and hence for deciding whether or not it should continue. The welfare reform legislation of 1996 gave states much wider latitude in setting welfare policy without requiring explicit federal-state

²⁵ Other pioneers include Maryland, North Carolina, Ohio, Washington, Vermont, and West Virginia. See Center for the Study of Social Policy, *Toward New Forms of Local Governance*. A number of other states have taken small steps toward systemic reform, such as creating community planning collaboratives or state interagency collaboratives with broad responsibility for overseeing policies affecting children and families. These include Alaska, Arkansas, Colorado, Delaware, Florida, Hawaii, Illinois, Indiana, Maine, Michigan, Nebraska, North Dakota, Oklahoma, Pennsylvania, Rhode Island. See J. Knitzer and S. Page, *Map and Track: State Initiatives for Young Children and Families* 1998 Edition (New York: National Center for Children in Poverty, Columbia University School of Public Health, 1998), p. 47.

discussions about goals or assessment of achievements,²⁶ but the Clinton administration continues to grant states waivers in other policy areas.²⁷

A Clinton administration working group on services for children and families has envisioned a more elaborate approach than the systematic waiver strategy. Its report proposed that federal interagency teams provide funding and technical assistance to the states, and work with state interagency teams to set outcome goals, assess state performance, and revise policy goals and strategies for delivering comprehensive services to children and families.²⁸

These state reforms and federal proposals for systemic change are predicated on a relatively new assumption about public policy making: the critical task of policy makers should not be to ensure compliance with their own central policy designs, but rather to provide adequate inducements and information to foster the local design and implementation of effective policy strategies.²⁹ This assumption stems from an increased concern with the performance of government policies, rather than simply with their accountability to procedural requirements, as the spread of the reinventing government movement attests.³⁰

If performance is one of the critical factors motivating the search for a new human services system, one might well ask how effective the emerging system of collaborative adjustment is proving in practice. Even as the components of collaborative adjustment now stand -- as piecemeal management innovations along side the existing human services system -- they appear to be producing improvements over the effectiveness of the existing system. Preliminary data gathered in leading states indicate that communities that design and implement their own service strategies show more improvement in the well-being of children and families than do other communities in which state-designed human services programs persist.³¹ While these positive

²⁶ For an assessment of the extent to which the 1996 federal welfare reform legislation does and does not allow for experimental assessment and revision of states' welfare reform policies, see Sabel and Dorf, "A Constitution of Democratic Experimentalism," pp. 435-38.

²⁷ The Oregon Option, for example, packages together waivers of federal regulations in various policy areas (health, education, welfare, and social services) in exchange for an obligation by the state of Oregon to measure the outcomes it achieves.

²⁸ Working Group on Comprehensive Services, *Putting the Pieces Together: Effective Communities for Children and Families* (Washington: U.S. Department of Education, March 15, 1996).

²⁹ J. Cohen and J. Rogers, *Associations and Democracy* (New York: Verso, 1995); Dorf and Sabel, "A Constitution of Democratic Experimentalism." See also R. Reich, "Policy Making in a Democracy," in R. Reich (ed.), *The Power of Public Ideas* (Cambridge, MA: Ballinger, 1988).

³⁰ On reinventing government, see D. Osborne and T. Gaebler, *Reinventing Government* (Reading, MA: Addison-Wesley, 1992); M. Barzelay, *Breaking Through Bureaucracy* (Berkeley, CA: University of California Press, 1992). Increasing policy performance is a chief concern of scholars interested in "the new public management." See, for example, M. Moore, *Creating Public Value: Strategic Management in Government* (Cambridge, MA: Harvard University Press, 1996); R. Behn, *Leadership Counts* (Cambridge, MA: Harvard University Press, 1991). This particular formulation draws on R. Behn, "Performance, Managerial Competence, and Democratic Accountability: The Three Challenges of Public Administration," The First Donald C. Stone Lecture, American Society for Public Administration, Atlanta, Georgia, July 2, 1996. One might attribute the new concern with performance, in turn, to fiscal pressures, ideological pressures for smaller government, unmet human needs, increased social complexity, changing global economic demands, or a combination of these and a host of other factors. Rather than enter an infinite regress, however, I will let the desire to improve government performance stand in for the variety of other long-term changes encouraging current reform efforts.

³¹ Georgia Policy Council for Children & Families/Family Connection, "Savannah YFA's Family Resource Center Phase 3 Evaluation: Selected Interim Indicators of Progress" (Atlanta, GA: Policy Council Meeting Handout,

findings have yet to be replicated, and cannot be directly attributed to the emerging practices in isolation from the larger economic and social environment, they currently represent the best available evidence that the reforms are bearing fruit.

This dissertation does not seek to evaluate the impact of the emerging systemic changes on the well-being of children and families, however. Instead, it seeks to specify the design and account for the nascent development of the emerging system, and identify the conditions under which it stands the best chance of being institutionalized in the pioneering states. The preliminary indicators of positive results achieved in pilot communities have implications for the analysis here, but only because they suggest the potential appeal and hence the staying power of the new policy-making arrangements.

Regardless of their initial promise, the systemic reforms that have begun to emerge in the states must overcome a number of severe obstacles before they become institutionalized. Thirty years after the heyday of the War on Poverty, human services policy makers, service providers, and beneficiaries alike are weary from previous reform attempts, and skeptical of new proposals. Current proposals for collaborative, devolutionary reform also compete with simpler proposals to cut public funding for social policies, or to privatize human services provision to large corporations. Thus while some states' attempts at systemic reform may eventually lead to better services across the board for children and families, others may fall victim to budget cuts, agency reorganizations, or political opposition. Still others are likely to gain a foothold in practice, but may not prove capable of fully displacing the core operations of the existing human services system. The end result in each state is thus an empirical question -- not a foregone conclusion -- that may not be settled for five, ten, or even twenty more years. Even states whose reforms currently show the most promise are only beginning to confront the challenges of institutionalizing the policy tools of collaborative adjustment. If these tools prove incapable of winning the confidence and finances of top state policy makers, they may remain marginal management innovations tacked on to the existing categorical human services system.

Regardless of this uncertainty, and in spite of pessimism brought on by past experiences with reforms that failed or succeeded only in part, constructive changes in human services policy making and management are afoot. Committed administrators and front-line practitioners in a number of states are tremendously enthusiastic about their reform efforts. Many of them have developed a coherent operating concept for a new system of human services, and have managed to create an initial measure of capacity for collaborative, devolved, accountable policy making and administration. While the ultimate significance of these reform efforts depends on their lasting impact, the only politically viable alternatives today appear to involve additional budget cuts, or at least continued fragmentation, in existing social programs. Neither is likely to improve the effectiveness of services to individuals and families in need. Given the political disfavor pervading so many public human services systems today, sympathetic analysts would do well to try to understand the circumstances and processes in which such reform possibilities appear to be unfolding and bearing fruit.

November 6, 1997); Philliber Research Associates, *The Status of Caring Communities, July 1997* (Accord, NY: Author, 1997). For details, see the preliminary evaluation results presented in the case studies in Chapter Five.

IV. Context and Characteristics of Systemic Human Services Reform

Such an understanding first requires specifying the context and characteristics of systemic human services reform efforts. Most significantly, such efforts are emerging amidst “the new politics of the welfare state,” in which attempts to alter existing policies take place in a contentious political environment crowded with vested interests.³² This context creates both operational and political difficulties, because systemic reforms seek to change existing policies and practices, and therefore differ in fundamental ways from efforts to initiate government policy in new areas.

Proposals to initiate government activity in new policy domains -- such as old age security insurance in the 1930s, or environmental protection in the late 1960s and early 1970s -- have to mobilize support for the idea that government should mandate public interventions where none has existed before. Such proposals offer new benefits to both service consumers and potential providers, and can be financed in ways that diffuse costs across a broad swath of taxpayers. By contrast, advocates of changes in existing policy areas, such as environmental regulatory reform or systemic human services reform today, seek to change existing processes for making and administering policies in order to improve performance. Because these processes already exist, each has its own practitioners and operating procedures.

As a result, the political dynamics surrounding current reform attempts differ from those surrounding proposals for brand new government policies for two reasons. First, a number of entrenched interests, most notably administrators and service providers, already populate the political arena. Second, improving operations requires changing an array of specialized procedures and practices that are critical to administration and implementation, and hence to performance, but which often appear arcane to non-specialists (e.g., funding guidelines, personnel classifications, union work rules, procedures for staff supervision, eligibility forms and processes, administrative data records, etc.).

Proposals for systemic human services reform often impose direct costs on service providers and administrators, in the form of requirements that different agencies coordinate service delivery and administration. Many service providers belong to public sector unions, advocacy groups, or community-based organizations that have considerable experience lobbying in favor of the categorical programs that comprise the existing human services system. After years in the political trenches fighting for more funding for existing categorical programs, most of these organizations lack the foresight and ability to re-focus their advocacy on changing the existing system, even if its ability to assist certain clients appears increasingly compromised. Meanwhile, service consumers and the groups that advocate on their behalf may -- occasionally with justification -- view systemic reform proposals as disguises for cuts in existing services, rather than as attempts to improve performance, and oppose them vehemently. The expectations of service providers and consumers, as well as the maturity of the organizations they work in and that represent them politically, can create a powerful inertia in favor of continuing with the existing system, regardless of the political constraints on funding for it.

In contrast to proposals for new social policies, then, systemic reform proposals may engender only limited support from many practitioners, and may provoke considerable discomfort and

³² See P. Pierson, “The New Politics of the Welfare State,” *World Politics* 48 (January, 1996): 143-79.

even opposition among those they affect most directly. In short, proposals for systemic human services reform lack the natural administrative constituencies that usually coalesce to support the expansion of funding for categorical social programs.³³ In fact, they may face active resistance, since they threaten the authority of many powerful actors who currently make decisions allocating public resources such as funding and staff time.

The specialized quality of systemic human services reform only adds to the challenges of building support for reform, since proposals for detailed changes in existing policies may inspire only limited interest from elected officials and members of the public. As an attempt to rationalize and improve the design and delivery of intensive social services for children and families facing various kinds of disadvantages, collaborative adjustment for human services is an obscure policy that only rarely evokes strong public sentiment. As an effort to help disadvantaged families, it is likely to receive limited public attention from most voters and elected officials, whose social policy concerns -- should they have any -- usually center more on middle class issues such as education, health care quality, and crime prevention. Today's human services reformers also face challenges generating broad support for their agenda among many elected officials, because efforts to improve services for children and families facing disadvantages must compete with a variety of other policy issues that benefit more powerful constituents. Finally, the rhetoric of dominant forces in both major political parties in the U.S. is frequently hostile toward governmental solutions to family problems.

As a result, most core proponents of systemic human services reform tend to be cliques of creative specialists, such as human services professionals, policy analysts, and advocates for children, rather than politicians appealing to broad public values. They face severe difficulties in trying to create popular interest in systemic human services reform in a country in which the majority of citizens -- and an even larger majority of those who are politically active -- do not require specialized human services. Because of the common sense appeal of systemic reform (making government more efficient, treating families more effectively), of course, few organized interests come right out and openly oppose it. Those who fear it usually prefer to sit and wait until proposals lose momentum or get sidetracked by other issues. The architects of systemic reform proposals nevertheless have difficulty creating a ground swell in favor of their agenda, and political support for collaborative adjustment for human services remains "a mile wide and an inch deep" even in the pioneering states.³⁴

Advocates of systemic human services reform are not without potential allies, however. Reformers may further their chances of political success, for example, by emphasizing that a system of collaborative adjustment increases community influence over human services, and hence comports with the anti-government theme of local control. They are unlikely to win the full support of anti-government zealots, though, since their vision is also premised upon continued centralized financing of human services. Human services also have a number of direct connections on the ground with other policy areas, such as education and community development, that suffer from similar problems of poor performance. These connections extend

³³ L. Lynn, *The State and Human Services* (Cambridge, MA: MIT Press, 1980); S.L. Kagan with P. Neville, *Integrating Services for Children and Families: Understanding the Past to Shape the Future*, (New Haven, CT: Yale University Press, 1993).

³⁴ Interview with a consultant to the Annie E. Casey Foundation (1997).

the significance of systemic reform beyond the obscure, specialized realm of human services for clients with multiple needs. Indeed, many of the emerging instances of systemic human services reform are being implemented with direct links to school reform and welfare reform. (Other instances of systemic human services reform are emerging parallel with reforms in these other policy areas, and may or may not connect up with them in the long run.)

Proponents of systemic reform in some states have capitalized on these linkages to frame their efforts as a locally driven way to make government more responsive to the efforts of all families and communities to nurture children's growth and development. Under this banner, the specialists promoting systemic reform have been able to ally with generalists such as lawmakers, business representatives, and community activists interested in local efforts to address education, job training, community development, and related issues. Human services reformers might also gain strength by building stronger linkages in practice with new efforts to build collaborative institutions in related policy areas, such as community policing, community building, and other efforts at civic renewal.³⁵ While a few local communities have brought some of these initiatives together, such connections have yet to take hold consistently, either in state policy or in practitioners' principles.

In the end, all these different types of reforms constitute incremental efforts to build institutions and develop new policy capacity in a crowded, relatively apathetic political arena. Even if a variety of these current reform efforts in related policy areas can create strong linkages with one another, whether they can also gain widespread political support is another question entirely. Systemic reform's potential benefits of improving the performance of public services offer only diffuse appeal to the public and to elected officials, and may not materialize at all in the short run. Benefits to consumers of improved service access and effectiveness may be direct, but most consumers of human services are some of the least empowered people in society. Systemic reform proposals therefore have the potential to antagonize entrenched provider interests who are politically strong, and may enjoy only lukewarm support from other actors. The processes of forming coalitions and designing policy options for a reformed system are affected dramatically by the presence of actors and policies that are already firmly entrenched in administrative and political institutions. In the short run, proponents of systemic reform, like proponents of welfare state retrenchment, must seek to avoid blame, rather than being able to take credit for new initiatives. Widespread opportunities to take credit may emerge only in the medium or long run, if reforms begin to show signs of success.³⁶

³⁵ On policing, see, for example, Livingston, "Police Discretion and the Quality of Life in Public Places;" Fung, "Street-Level Democracy." On community building and other civic renewal initiatives, see J. Walsh, "Community Building in Theory and Practice: Three Case Studies," *National Civic Review* 86(4), Winter 1997; Program for Community Problem Solving, *Building Community: Exploring the Role of Social Capital and Local Government* (Washington: Author, 1998); C. Sirianni and L. Friedland, "Civic Innovation and American Democracy," *Change Magazine*, January/February 1997; and various papers on the web site of the Civic Practices Network (www.cpn.org).

³⁶ On the contrast between avoiding blame and claiming credit as these tactics apply to the politics of welfare state retrenchment, see P. Pierson, *Dismantling the Welfare State?* (Cambridge: Cambridge University Press, 1994). On avoiding blame and claiming credit as political strategies in Congress, see R.D. Arnold, *The Logic of Congressional Action* (New Haven, CT: Yale University Press, 1990).

V. Summary of the Argument

Given these challenges, undertaking systemic human services reform seems almost quixotic. Some proponents of systemic reform, however, have stumbled onto a piecemeal, multi-faceted strategy of change that allows them to rely on strategically situated allies and special projects to develop and advance their designs for change. By using these leverage points to illustrate the appeal of emerging changes through the power of anecdote, and studying unfolding developments carefully to learn what to change and what to try next, they have been able to expand the focus and the locus of their efforts gradually over time. Indeed, some of the architects of the emerging system of collaborative adjustment were not even aware that they were embarking on what would become a campaign for systemic reform when they first began their efforts. They were simply proposing a new approach to delivering services that would make human services more responsive to families' varying needs. After some experience encouraging the adoption of this new approach at the front lines, however, reformers began to recognize additional changes that were necessary in the larger system of public administration and policy making for human services. Proponents of change working from different entry points converged on the general idea of changing the entire system through a process of self-reflective bootstrapping.³⁷

This process is playing out in different ways in the various states that have undertaken systemic reforms. The more successful proponents of systemic reform that I studied have used two change strategies: multiple leverage points and iterative learning. Creating multiple leverage points entails reaching out to human services actors at both the state and local levels for assistance in designing and implementing reform proposals. In general, such inclusive efforts enlarge the scope of conflict in both the design and the implementation of reforms, thereby changing the political dynamic of the reform process.³⁸ More specifically, creating multiple leverage points gives reform architects allies in a variety of positions who can help promote and experiment with their ideas. Iterative learning involves the piecemeal pursuit of a general vision of what reformers seek to achieve, through the creation of regular opportunities to adjust both reform goals and strategies for getting there. Lacking knowledge of the precise provisions of a reformed system at first, proponents of reform can only articulate broad principles for reform, and then recruit allies to experiment with different ways to realize them and encourage their adoption. In combination, multiple leverage points and iterative learning lend adaptability to the reform process, increasing the chances that systemic performance problems as well as the

³⁷ I borrow the term "bootstrapping" from Sabel. As he explains it, bootstrapping is "a way of reconstructing linked, complex institutions piece by piece when neither the workable sequences of piecemeal changes nor the precise characteristics of the reconstructed whole are known." C. Sabel, "Bootstrapping Reform: Rebuilding Firms, the Welfare State, and Unions," *Politics and Society* 5(7), 1995, p. 7. Dorf and Sabel go on to describe it in another article as a "process of incremental change in which a favorable balance of risks and returns encourages first steps from many diverse starting points, and each move points the way down one of several paths that eventually leads to a roughly similar outcome.... [Hence] The reform of one institution both leads to and depends upon the reform of the institutions with which it collaborates." Dorf and Sabel, "A Constitution of Democratic Experimentalism," p. 309, 324.

³⁸ For the original argument that changes in the scope of conflict alter political dynamics, see E.E. Schattschneider, *The Semi-Sovereign People* (New York: Holt, Rinehart and Winston, 1960). For the related conclusion that policy entrepreneurs deliberately try to mobilize support in order to influence policy debates, see R. Cobb and C. Elder, *Participation in American Politics: The Dynamics of Agenda-Building*, Second Edition (Baltimore, MD: Johns Hopkins University Press, 1983).

political concerns of different actors can be addressed by the new policies that are ultimately implemented.

Proponents of systemic reform who have used these change strategies have not been obligated to specify all the components of the emerging system from scratch, and then win political support for their ideas among policy makers all at once. Instead, the portentous but nebulous concepts of interagency collaboration, state-local devolution, and accountability for outcomes have gradually emerged as desirable courses of action, and then taken on specific shapes and meanings through trial and error and practical discussion. Many of the actors participating in these discussions and trials have gradually become accustomed to the new policy tools they have helped to design and implement in the course of the bootstrapping process. While some may continue to feel threatened by the changes that are emerging, others have come together to form a loose political coalition favoring systemic change in the human services. Practical discussion and trial and error have thus furthered the processes of both system design and political coalition-building in favor of reform.

As the next chapter explains in more detail, the process of policy development through self-reflective bootstrapping can only be understood by reorganizing the analytic concepts put forth in the literature on policy learning, policy change, and implementation. The existing literature on these subjects draws a series of distinctions between large- and small-scale policy change, and between implementation and policy choice. In contrast to these distinctions, the bootstrapping process through which collaborative adjustment policy has developed suggests that repeated implementation experiments can gradually point the way to a whole sale transformation of the system of policy making and administration. Attempts by practitioners to make piecemeal improvements in implementation and administration may eventually cumulate into larger-scale policy changes. At least in the case of systemic human services reform, then, implementation, policy choice, and small- and large-scale policy change appear to lie more on a continuum than in separate spheres of reform activity. In the course of the bootstrapping process, moreover, approaches to improving policy effectiveness and building support for reform blend together. The distinction in the literature between substantive and situational policy learning thus may add little analytic utility to the case as well.

Chapter Three extrapolates from current developments in the field to answer the research question having to do with policy design. It outlines in detail an ideal system of collaborative adjustment for human services, in order to specify the changes in the human services system that reformers are trying to achieve. The core policy tools of the emerging system include: family-friendly service strategies; interagency collaboratives at the state, county, and neighborhood levels to design and implement them; flexible funding to finance services; outcome-based evaluation of choices about services and implementation; and partnership agreements that spell out the formal responsibilities of the state and the local collaboratives. The master tool of the new system is an ongoing learning process that combines all the other tools: The state and local collaboratives use the outcome measures to monitor the impact of their policy and service delivery decisions on children and families, and jointly revise their responsibilities in light of the outcomes they achieve.

Chapter Four begins the effort to answer the research question about the process of systemic change, by sketching the history of the human services policies and intellectual developments that eventually led to the emergence of the design ideas outlined in Chapter Three. The chapter summarizes changes in U.S. human services administration, from the advent of cooperative federalism and the legal reforms of the 1960s, to today's systemic reform initiatives. The emergence of innovative thinking about service delivery in the 1980s and 1990s is then examined in detail, along with the iterative process of reflection that occurred between practitioners' experiments in the field and intellectuals' efforts to develop new reform ideas based on them. This piecemeal approach to policy development gradually led the intellectuals and the practitioners to propose and pursue reforms that are now beginning to cumulate into the emerging system of collaborative adjustment in a few states.

Chapter Five compares policy designs, reform strategies, and accomplishments in different states, after summarizing the rationale for selecting cases to illustrate the cutting edge of human services reform. Paired comparisons of Georgia and Missouri, Iowa and Minnesota, and parallel reforms in Oregon then characterize the design, trajectory, and impact of systemic reforms in the states. The findings suggest that Georgia, Iowa, and Missouri currently have better prospects for institutionalizing collaborative adjustment state wide than Minnesota and Oregon do. In all three of the provisionally successful cases, reformers have used two change strategies that, in combination, have made bootstrapping possible. First, through iterative learning about policy design, reformers repeatedly revised their ideas based on what seemed to work effectively in the field. Second, creating multiple points of political leverage gave them varied channels through which to experiment with and push for the state-wide adoption of their ideas. In the other states, where the prospects for institutionalization appear more mixed, reformers used only one of these strategies or the other, and the process of reform followed the more familiar sequence of design, enactment, and implementation.

The cases thus suggest that iterative learning and multiple leverage points are both necessary for states to adopt and implement collaborative adjustment for human services. Since all of the reforms are still playing out, however, even the two strategies in combination may be insufficient to ensure institutionalization of the emerging system.

Chapter Six draws anecdotally on the states' reform initiatives to outline the developmental process of systemic human services reform. In the ideal developmental process, reformers' use of the two change strategies, multiple leverage points and iterative learning, enables them to build political support for the emerging system of policy making and simultaneously to improve its effectiveness. More successful reformers have built the strategy of iterative learning into the very design of the emerging system of collaborative adjustment, creating the capacity to adapt ongoing operations in response to varying conditions and unforeseen developments in different communities.

Chapter Seven explores three implications that the emergence of collaborative adjustment for human services suggests about the process of social policy innovation. First, if systemic changes continue to emerge and thrive in the states through iterative, bottom-up processes, they call into question the notion that policies and politics always change through a process of punctuated equilibrium. Instead of going through long periods of relative stability punctuated by moments

of large-scale change, both policy designs and the politics surrounding them may evolve gradually. Second, reformers may be able to improve policy effectiveness and build political support for reform at the same time, if their reform ideas feature an adaptive design that combine substantive and situational forms of policy learning. Finally, the chapter reconsiders how federalism shapes the prospects for social policy innovation in the United States, in light of the multi-faceted, iterative qualities of bootstrapping reform. It suggests that these qualities may be peculiarly suited to the vertical and horizontal fragmentation of power in the U.S., and to the politically contentious, specialized problems of policy innovation that the U.S. welfare state currently confronts.

Chapter 2: Theories of Politics and Policy Change

I. Introduction

Chapter One introduced a policy innovation that has begun to emerge in bits and pieces in a few states: collaborative adjustment for human services. Like other democratic experimentalist approaches to policy making, it creates regular opportunities for central and local actors to assess mutual progress toward publicly stated goals, and revise strategies and responsibilities according to their effectiveness at achieving those goals. Because it constitutes an attempt to improve on the existing system of policy making and public administration for human services, the adoption of some of its policy tools by a few states represents an instance of policy change and an attempt to learn from past policies. Because it addresses issues of human services administration, moreover, the emerging system inevitably brings with it thorny questions of implementation.

This chapter therefore scans the literature on policy change, learning, and implementation, and then assesses its applicability to the development and design of collaborative adjustment. The review uncovers useful analytic concepts, including a distinction between large- and small-scale policy change, different types of policy learning, and the implementation strategy of management by groping along. In the development and design of collaborative adjustment, however, these processes -- policy change, learning, and implementation -- have occurred in ways different from those portrayed in the existing literature. As later chapters will show, these alternative processes have produced slightly different results under different conditions.¹ In order to comprehend these variations better, the chapter goes on to reorganize the concepts in the received literature so as to account more precisely for the development and design of collaborative adjustment.

II. Scholarship on Policy Change, Learning, and Implementation

A. Theories of Policy Change

Many political scientists who study changes in public policies draw a sharp distinction between large-scale changes, in which whole new policies are established to address a particular problem, and more incremental developments, such as adjustments in policies that already exist. Moments of “punctuated equilibrium,” in which rapid and drastic changes occur, are contrasted with long periods of “relative stability” that feature smaller administrative changes.² Shifts in “policy paradigms” are distinguished from incremental modifications of policy instruments and measures.³ Rare “big bangs” of dramatic policy change -- such as the innovations in U.S. social

¹ In particular, current experiments with collaborative adjustment for human services in Georgia, Iowa, and Missouri appear to have sustained at least a little more enthusiasm and impact thus far at the state level than those in Minnesota and Oregon. For details, see Chapter 5 below (“Case Studies”).

² See F. Baumgartner and B. Jones, *Agendas and Instability in American Politics* (Chicago: University of Chicago Press, 1993).

³ See P. Hall, “Policy Paradigms, Social Learning and the State: The Case of Economic Policy Making in Britain,” *Comparative Politics* (April 1993), 275-296.

policy in the 1930s and the 1960s -- stand apart from the more consistent process of marginal adjustment sometimes characterized as “muddling through.”⁴

These two kinds of policy change are usually marked by the participation of different political actors in policy debates and decision making. Political and policy entrepreneurs, along with a wide range of legislators, executives, and mobilized interests, often vie for influence when major policy changes are at stake.⁵ When separate streams of policy development, politics, and opportunities coincide to produce a “window” for change,⁶ policy debates may be wide ranging and charged with struggles for power and influence. Under these circumstances, policy discussions usually involve attempts by political entrepreneurs and organized interests to manipulate different variables to create new coalitions or to alter the balance of power within existing coalitions. Those able to mobilize the most adherents, or find institutional venues that favor their ability to mobilize public support over their opponents’, succeed in enacting their ideas into policy.⁷

During periods of relative stability in policy making, in contrast, tightly-knit “iron triangles” or looser “issue networks,” comprised of administrators, vested interests, and legislative specialists, usually dominate decision-making.⁸ The issues at stake are often more prosaic, with decisions revolving around the adjustment of regulatory standards, benefit levels, and other policy instruments, rather than the creation of entirely new policies of governmental intervention or the reversal of existing policies.⁹ Policy discussions often proceed through “successive limited comparisons,” in which administrators consider a limited number of alternative choices relevant to current dilemmas, and compare them to one another in light of their experiences with similar approaches in the past.¹⁰

⁴ For the phrase “big bang,” see C. Leman, “Patterns of Policy Development: Social Security in the U.S. and Canada,” *Public Policy* 25 (1977): 261-91. For additional discussion of the applicability of the term, see M. Weir, A. Orloff, and T. Skocpol, “Understanding American Social Politics,” in M. Weir, A. Orloff, and T. Skocpol (eds.), *The Politics of Social Policy in the United States* (Princeton, NJ: Princeton University Press, 1988). “Muddling through” is a term associated most closely with the work of Charles Lindblom. See C. Lindblom, “The Science of Muddling Through,” *Public Administration Review* 19(2), Spring 1959; C. Lindblom, “Still Muddling, Not Yet Through,” *Public Administration Review* 39(6), November/December 1979. For a parallel, but higher level, distinction between large “constitutional moments” and small-scale “normal politics,” see B. Ackerman, *We the People: Foundations* (Cambridge, MA: The Belknap Press of Harvard University Press, 1991).

⁵ Baumgartner and Jones, *Agendas and Instability in American Politics*.

⁶ On the confluence of these streams and the creation of a window of opportunity for policy change, see J. Kingdon, *Agendas, Alternatives, and Public Policies*, Second Edition (New York: HarperCollins, 1995).

⁷ On the role of mobilizing supporters in policy debates, see R. Cobb and C. Elder, *Participation in American Politics: The Dynamics of Agenda-Building*, Second Edition (Baltimore, MD: Johns Hopkins University Press, 1983). For an earlier, classic articulation of the same idea -- the strategy of “changing the scope of conflict” -- see E.E. Schattschneider, *The Semi-Sovereign People* (New York: Holt, Rinehart, and Winston, 1960). On “venue shopping,” see Baumgartner and Jones, *Agendas and Instability in American Politics*.

⁸ Baumgartner and Jones, *Agendas and Instability in American Politics*. For classic discussions of iron triangles and issue networks, respectively, see G. McConnell, *Private Power and American Democracy* (New York: Vintage Books, 1966); and H. Hecl, “Issue Networks and the Executive Establishment,” in A. King (ed.), *The New American Political System* (Washington: American Enterprise Institute, 1978).

⁹ Hall, “Policy Paradigms, Social Learning and the State.”

¹⁰ Lindblom, “The Science of Muddling Through,” p. 79.

B. Theories of Policy Learning

In the course of their struggles for power and their efforts to muddle through, policy makers learn lessons about policy ideas. Policy learning occurs when actors draw conclusions based on experience about the possibility and desirability of pursuing a particular policy option. Over time, episodes of learning and change in a particular policy area can accumulate into a policy legacy -- a pattern of policy making and institutional behavior that shapes future policy debates and choices.¹¹ Strong policy legacies usually engender prolonged periods of policy stability, featuring only small-scale change, due to their impact on interest group activity, "lock-in" effects, and the lessons that political actors draw about the politics surrounding particular policy aims and designs.¹²

When tensions or incongruities accumulate, however, policy legacies can provoke political reactions that produce large-scale policy changes.¹³ A policy legacy may be overthrown, if political opposition overwhelms -- or permeates and eventually dissolves -- an iron triangle.¹⁴ Alternatively, smaller-scale reforms may occur, if advocacy coalitions, or factions, emerge within a dominant issue network, and push existing policies in new directions.¹⁵ Scholars have distinguished two different types of policy learning, to characterize the processes by which actors apply lessons from their experience in these types of situations.

"Situational learning," which assesses the political viability of different policy options, usually plays a significant role in large-scale policy changes, and politicians and organized interests frequently dominate the process.¹⁶ Successful instances of social policy innovation, for example, may suggest to political elites that additional innovations are viable in the future. Patterns of successful or unsuccessful innovation -- or policy legacies of generous or stingy social provision -- may accumulate over time as a result.¹⁷

"Substantive learning," focused on the effectiveness of different policy options at solving particular societal problems, tends to be based on studies and calculations by experts. It usually has more influence on incremental adjustments to policy instruments and measures than on large-scale changes.¹⁸ National issue networks of policy intellectuals often develop "ideas in good currency," for example, which address public problems in their particular areas of expertise. Within issue networks, advocacy coalitions may promote their own specific policy

¹¹ See P. Pierson, *Dismantling the Welfare State?* (Cambridge: Cambridge University Press, 1994); P. Pierson, "When Effect Becomes Cause: Policy Feedback and Political Change," *World Politics* 45(4), July 1993, pp. 595-628; T. Skocpol, *Protecting Soldiers and Mothers* (Cambridge, MA: The Belknap Press of Harvard University Press, 1992).

¹² Pierson, *Dismantling the Welfare State?*, p. 49.

¹³ See K. Thelen, "Historical Institutionalism in Comparative Politics," *Annual Review of Political Science*, Vol. 2 (Palo Alto, CA: Annual Reviews, Inc., forthcoming, 1999).

¹⁴ See Baumgartner and Jones, *Agendas and Instability in American Politics*.

¹⁵ See P. Sabatier, "An Advocacy Coalition Framework of Policy Change and the Role of Policy-Oriented Learning Therein," *Policy Sciences* 21 (1988), pp. 129-168.

¹⁶ Hall, "Policy Paradigms, Social Learning and the State;" M. Peterson, "The Limits of Social Learning: Translating Analysis into Action," *Journal of Health Politics, Policy and Law* 22(4), August 1997.

¹⁷ Skocpol, *Protecting Soldiers and Mothers*; Pierson, "When Effect Becomes Cause."

¹⁸ See Hall, "Policy Paradigms, Social Learning and the State;" Peterson, "The Limits of Social Learning."

ideas that reflect knowledge gleaned from research.¹⁹ State and local practitioners with links to the issue networks may adopt these ideas, after learning about them through conferences, consultants, or informal conversations with one another.²⁰ Innovative policy ideas then may diffuse from the states or countries that first adopt them to neighboring states or countries, or to others with active policy entrepreneurs, through a process of demonstration and emulation.²¹ Through repeated episodes of substantive learning, state actors may develop the administrative capacity to manage and implement certain types of programs, which can contribute to the development of policy legacies and institutional patterns.²²

The politics of situational learning and the expertise that informs substantive learning converge in practice, of course, as captured by the observation that policy makers both “power” and “puzzle” over policy options.²³ Powerful political actors and prior policy choices made by politicians, for example, can discredit or marginalize certain policy options or kinds of substantive expertise.²⁴ All presentations of substantive data implicitly (and sometimes explicitly) involve political choices about what questions to ask and which findings to emphasize.²⁵ Despite the inevitable entanglement of politics and policy expertise, scholars nevertheless find it useful to sustain the analytic distinction between the two types of policy learning.²⁶

The situational lessons drawn from a particular policy, for example, often depend on whether it becomes institutionalized or marginalized. A policy becomes institutionalized when it develops strong links with government agencies, political parties, existing policies, or other bases of power. This outcome is mostly likely to occur under two different types of circumstances. The first is characterized by broad public support for the policy, as Social Security enjoys in the U.S. The second, paradoxically, is characterized by a lack of public attention to a particular policy issue. Neglect by the broader public enables policy insiders -- beneficiaries, service providers, administrators, and legislators on relevant committees -- to “capture” control of public resources

¹⁹ Sabatier, “An Advocacy Coalition Framework of Policy Change.”

²⁰ On ideas in good currency and their diffusion through practitioner networks, see J. Walker, “The Diffusion of Knowledge, Policy Communities, and Agenda Setting: The Relationship of Knowledge and Power,” in M. Dluhy, J. Tropman, and R. Lind (eds.), *New Strategic Perspectives on Social Policy* (New York: Pergamon Press, 1981).

²¹ On the idea of strategically drawing lessons about policy from other countries or jurisdictions, see R. Rose, *Lesson-Drawing in Public Policy: A Guide to Learning Across Time and Space* (Chatham, NJ: Chatham House Publishers, 1993). On regional diffusion processes, see J. Walker, “The Diffusion of Innovations among the American States,” *American Political Science Review* 63 (1969). On diffusion through national communication patterns and interactions, see V. Gray, “Innovation in the States: A Diffusion Study,” *American Political Science Review* 67 (December 1973).

²² On the development of state administrative capacity in the U.S., see Skocpol, *Protecting Soldiers and Mothers*. For an explication of the concept of administrative capacity, see T. Skocpol, “Bringing the State Back In: Strategies of Analysis in Current Research,” in T. Skocpol (ed.), *Bringing the State Back In* (Cambridge: Cambridge University Press, 1985).

²³ See H. Hecl, *Modern Social Politics in Britain and Sweden* (New Haven, CT: Yale University Press, 1974).

²⁴ See, among others, P. Bachrach and M. Baratz, *Power and Poverty: Theory and Practice* (New York: Oxford University Press, 1970).

²⁵ See D. Stone, *Policy Paradox and Political Reason* (Glenview, IL: Scott, Foresman and Company, 1988).

²⁶ Peterson’s examination of policy learning about health care, for example, acknowledges that the two converge, but retains the distinction. See Peterson, “The Limits of Social Learning.”

and decisions that affect it (e.g., U.S. agricultural policy after World War II).²⁷ Such iron triangles, or policy subsystems, may dominate policy making in their respective areas of interest for many years.²⁸ While policies that become institutionalized may or may not be effective in meeting their nominal goals, they nevertheless enjoy stable political support for extended periods of time.

The flip side of institutionalization -- marginalization -- may occur if a policy fails to build strong links with existing power bases, or if it becomes associated with negative images and outcomes. Human services and anti-poverty programs in the U.S., for example, are often associated with racial tension and community conflict. The result is weak support, if any, from key political actors, exposure to criticism in policy debates, and constant threats of counter mobilization by political opponents. As a result, marginalized policies often suffer political neglect, budget cuts, the gradual erosion of whatever support they do have, and sometimes eventually termination.²⁹ Situational learning from institutionalized and marginalized policies often derives from the general problems they seek to address, their target populations, or other broad characteristics.³⁰

The substantive lessons that derive from a policy, in contrast, usually pertain to the specifics of policy design, including how it gets implemented. As the process of "successive comparison" suggests, the effectiveness of past policy designs often informs the selection of designs in the future. Substantive learning thus may lead to a sequence of adaptations based on past experiences and educated guesses about future effects. Policy makers have no definitive way of knowing whether their attempts at improvement are succeeding, however, except by comparing their current and past achievements. Because the very process of adjusting a policy's design often entails a slight change in policy goals as well, choosing ever more precise policy designs to hone in on a fixed goal is almost impossible. "Muddling" is thus inevitable in the process of drawing substantive lessons from past policies and designing new ones.³¹

²⁷ On U.S. agricultural policy, see McConnell, *Private Power and American Democracy*. On the general concept of regulatory capture, see G. Stigler, "The Theory of Economic Regulation," *Bell Journal of Economics and Management Science*, Spring 1971, pp. 3-21.

²⁸ See, among others, R. Ripley and G. Franklin, *Congress, the Bureaucracy, and Public Policy* (Homewood, IL: Dorsey Press, 1984). In U.S. social welfare policy, the term "interest group liberalism" describes the situation in which service providers and administrators dominate processes of implementation and legislative re-authorization. See T. Lowi, *The End of Liberalism*, Second Edition (New York: W.W. Norton, 1979).

²⁹ On how and why social policies become institutionalized or marginalized, see H. Slessarev, "Racial Tensions and Institutional Support: Social Programs During a Period of Retrenchment," in M. Weir, A. Orloff, and T. Skocpol (eds.), *The Politics of Social Policy in the U.S.* (Princeton, NJ: Princeton University Press, 1988).

³⁰ Some problems, for example, may be deemed more appropriate for or amenable to public intervention. See M. Walzer, *Spheres of Justice* (New York: Basic Books, 1983). Some policies "construct" their target populations as worthy, while others make beneficiaries appear undeserving. See A. Schneider and P. Ingram, "The Social Construction of Target Populations," *American Political Science Review* 87(2), 1993, pp. 334-346. For broad typologies of policy characteristics and their implications for politics, see J.Q. Wilson, *Political Organizations* (New York: Basic Books, 1973), esp. chapter 16; T. Lowi, "American Business, Public Policy, Case Studies, and Political Theory," *World Politics* 16, July 1964, pp. 677-715.

³¹ This paragraph is based on Lindblom, "The Science of Muddling Through." As he argues on p. 86, "Policy is not made once and for all; it is made and re-made endlessly. Policy-making is a process of successive approximation to some desired objectives in which what is desired itself continues to change under reconsideration."

C. Policy Implementation: The Roles of Public Management and Learning

Analyses of policy changes and policy learning focus on the politics and processes of developing and choosing policy options. Students of implementation often criticize these studies for ignoring what happens after policies are enacted, because they neglect the complex ways in which administrators, street-level bureaucrats, nongovernmental organizations, citizen users, and others interpret, adhere to, resist, modify, or otherwise alter policies in the process of implementation. Policy mandates -- especially in the human services -- may conflict with other policies, may be unclear, and may ask service providers to undertake nearly impossible tasks (e.g., eliminate poverty) in order to create the public impression that elected officials are taking bold action. As a result, implementers inevitably exercise considerable discretion in producing policy outcomes at the front line.³²

The uncertainties and inconsistencies that this discretion engenders is disconcerting, on one hand, especially to those who believe policy designs should strictly prescribe and delimit implementation activities. At a fundamental level, discretion in implementation threatens the procedural guarantee that government policies treat all citizens equally, as Chapter One suggested.

Some observers, on the other hand, see a potential virtue in discretion, as long as implementers use it to improve results on which policy makers agree. The public management literature, for instance, encourages managers to capitalize on the conditions of uncertainty that they often face to innovate by "groping along." When a policy is new, management strategies unknown, and implementation technologies unfamiliar, a public manager does well to set a broad goal, motivate staff to do their best to achieve it, and then adapt her approaches strategically in response to implementation experience.³³ This process can enable the manager and staff, as well as elected officials and the public who hold them responsible for implementation, to learn more about the nature of the problem they are trying to address and about the relative effectiveness of different implementation approaches. In this sense, management by groping along may be a useful mechanism for learning about and incorporating new implementation strategies and techniques that offer both effectiveness and political viability.³⁴ As long as implementers and their overseers in the executive and legislative branches of government track the impact of their

³² On symbolic policies that promise bold action, see M. Edelman, *The Symbolic Uses of Politics* (Urbana, IL: University of Illinois Press, 1964). Regarding the vague and conflicting mandates that predominate in human services policies, and the front-line discretion that results, see M. Lipsky, *Street-Level Bureaucracy* (New York: Russell Sage, 1980); E. Brodtkin, "Inside the Welfare Contract: Discretion and Accountability in State Welfare Administration," *Social Service Review*, March 1997, pp. 1-33; M.K. Meyers, K. MacDonald, and B. Glaser, "On the Front Lines of Welfare Delivery: Are Workers Implementing Policy Reforms?" *Journal of Policy Analysis and Management* 17(1), Winter 1998, pp. 1-22. On the generic principal-agent problem in bureaucratic organizations, see A. Downs, *Inside Bureaucracy* (Boston: Little, Brown, and Company, 1966), esp. chapter XI.

³³ Bob Behn originated and then elaborated the idea of management by groping along. See R. Behn, "Management by Groping Along," *Journal of Policy Analysis and Management* 7(4), 1988, pp. 643-663; R. Behn, *Leadership Counts* (Cambridge, MA: Harvard University Press, 1991). Groping along is similar to muddling through in that both involve a version of what Lindblom calls "successive limited comparisons." (See Lindblom, "The Science of Muddling Through.") They differ, however, in that muddling through applies to small-scale policy choices, while groping along applies to management and implementation. (See Behn, "Management by Groping Along," p. 650.)

³⁴ See Behn, "Management by Groping Along," p. 655.

discretionary activities, management by groping along may facilitate situational and substantive learning in the implementation process.

D. Connecting Policy Change, Learning, and Implementation

As the literature reflects, the distinctions between different types of policy change, different types of policy learning, and between the processes of choosing and implementing policies are not absolute in practice. “Big bangs” of large-scale policy change may be preceded and followed by smaller, transitional adjustments.³⁵ The central actors in large- and small-scale policy change may differ from one case to the next.³⁶ Situational and substantive learning often blend together in practice.³⁷ Finally, policy choices and implementation processes inevitably influence one another, as when legislative compromises only partially resolve political conflicts, which then continue to play out during implementation.³⁸ Despite these overlaps, the distinctions remain. Any attempt to separate these different processes must recognize that they blur together in many cases, as the arrows and the dotted lines in Figure 2.1 suggest:

[INSERT Figure 2.1 HERE]³⁹

E. Applying The Received Concepts to the Case of Collaborative Adjustment

Both the development and the design of collaborative adjustment suggest that its emergence and adoption constitute an instance of small-scale policy change. As the Chapter 4 (“A History of Human Services Reforms in the United States: 1960 - Present”) describes in more detail, its development began with incremental adjustments to existing administrative procedures and implementation tools, in response to crises of performance and political confidence confronting the existing human services system. At first, these adjustments affected the existing system only at the margins (e.g., with changes in service delivery strategies), rather than pushing human services policy in completely new directions. As the literature on small-scale policy change predicts, the actors who undertook these changes were primarily practitioners at first -- state administrators and front-line service providers. Occasionally a sympathetic state legislator sponsored authorizing legislation, or a governor signed an Executive Order that codified innovations developed in the field, but wide spread, contentious policy discussions were rare.

³⁵ Margaret Weir points out, for example:

The start of a new policy sequence is most visible when there is a ‘big bang’ of innovation. Yet the ‘big bang’ analogy is somewhat misleading. It underestimates changes that have already prepared the way for such shifts in policy, and it overstates the degree to which policy is transformed afterwards. In fact, small changes transform policy, even in a political system in which policy shifts seem to occur all at once. Small changes not only prepare the ground for major shifts but may also chart the direction of those transformations by providing working examples of new policy and creating new conceptions about what is possible and desirable. (See M. Weir, *Politics and Jobs* (Princeton, NJ: Princeton University Press, 1992), p. 176.)

³⁶ Hall, “Policy Paradigms, Social Learning and the State,” p. 280.

³⁷ Peterson, “The Limits of Social Learning,” pp. 1087-91.

³⁸ See E. Brodtkin, “Implementation as Policy Politics,” in D. Palumbo and D. Calista (eds.), *Implementation and the Policy Process* (Westport, CT: Greenwood Press, 1990).

³⁹ This draws on part of the diagram portraying a model of the social learning process in Peterson, “The Limits of Social Learning,” p. 1085.

Attempts to learn from previous policies, finally, focused primarily on substantive concerns, to try to make human services policies more effective.

These small changes are beginning to add up to a more significant shift in policy, however, through the reform process of self-reflective bootstrapping introduced in Chapter One. Over the last decade, the practitioners' innovations in various administrative procedures and implementation tools have become more elaborate, building on and connecting to one another.

As the Chapter 3 ("The Design of Collaborative Adjustment for Human Services") illustrates, a new system is beginning to emerge in a few leading states -- collaborative adjustment -- which links the practitioners' new policy tools together to form a new approach to human services policy making and administration. This system, when fully realized, would utilize a policy making loop that involves iterative assessment, reflection, and adaptation, with the aim of identifying the management and service delivery strategies best suited to different local conditions. The measurement of results achieved would make possible the identification of effective practices in particular settings for particular client populations. By making possible comparisons of practices across space (i.e., from one community to the next) as well as over time, collaborative adjustment offers to improve upon the successive comparisons and adaptations characteristic of muddling through, which entail assessing the effectiveness of different strategies sequentially but not spatially.

Policy learning, muddling through, and groping along processes all pertain to the development and design of a policy of collaborative adjustment, but none of these concepts by itself fully captures the story of self-reflective bootstrapping told in the chapters that follow. As the history recounted in Chapter 4 illustrates, the practitioners who developed the policy tools of collaborative adjustment were responding to substantive lessons about the limits of the received system of public administration and policy making for human services. In their view, that system's bureaucratic inflexibility and lack of responsiveness hindered the ability of implementers to serve clients effectively, which severely limited the system's accountability to elected officials and the public.

The practitioners were unsure exactly what policy designs or implementation strategies would improve the effectiveness of services, however, so they inevitably had to muddle through the innovation process. As the historical summary in Chapter 4 shows, they began the process by identifying broad principles for organizing the implementation of human services policies, and then undertook a series of informal implementation experiments to learn how to operationalize the principles. In this sense, the muddling through process of developing collaborative adjustment began with a process of groping along in implementation.

After adapting their means and ends repeatedly, the practitioners came to recognize that their efforts had implications for the entire system of policy making and administration for human services. An iterative series of incremental changes, based on lessons drawn from repeated implementation experiments, began to suggest additional policy choices about administrative strategies and procedures. As the description of the new system in Chapter 3 makes clear, these implications have led proponents of reform to link the various policy tools that they have developed through a piecemeal process into a (relatively) coherent system of collaborative

adjustment. If institutionalized, this system will constitute a significant change in administration and policy making from the current human services system, demonstrating in the process that incremental changes may indeed cumulate into substantial policy changes. A succession of relatively small innovations in practice will have “scaled up” into changes that transform policy in larger ways.

Though it does not yet constitute an outright “big bang” of large-scale policy change, the vision put forth by proponents of systemic human services reform offers to resolve some of the critical tensions that have long plagued the existing system of public administration. By encouraging local innovations and efficiency gains, and using lessons from them to inform changes in state policies, for example, it may support flexibility and responsiveness in service delivery without simultaneously creating problems of administrative discretion and accountability. This ground breaking potential suggests that a developmental process of policy change involving successive comparisons is not restricted only to achieving small, incremental steps. Muddling through might eventually lead to an entirely new approach to making policy.

F. Reorganizing the Received Concepts

As this discussion suggests, only by reorganizing the concepts in the received literature can we use them to make sense of the development of collaborative adjustment. When public managers and others develop new policy ideas by groping along, the line between implementation and policy choice may become particularly permeable, because groping along can entail efforts to learn new things and adapt policy designs during implementation. Innovative attempts to solve complex problems may thus begin with very vague ideas at first, precisely because the problems are complex, and because potential -- much less optimal -- solutions are not obvious. Such innovations may not even constitute concrete policy solutions until they have been repeatedly honed through implementation trials.⁴⁰

The possibility therefore emerges that lessons from groping along in implementation might inform a “muddling” approach to policy design. Implementation might feed back directly into incremental adjustments in policy choices. Instead of involving a specific mandate for the provision of a particular service to a specific class of people or region, enactment of new policy ideas may occur through enabling legislation that fosters further development and evolution based on implementation experience. Rather than dictating specific policy solutions for different localities or line agencies to replicate or implement uniformly, such legislation may serve to focus public attention on key problems, and to foster the organizational infrastructure and political will to encourage citizens and service providers to address them at the local level.⁴¹ The specifics of the solution can then take shape over time, in response to feed back -- not just from past policy legacies, but also from implementation experience. By acknowledging an

⁴⁰ Olivia Golden notes that the groping along model usually begins with “a very sketchy initial idea, probably in the form of a broadly expressed goal...which is fleshed out with clearer programmatic content after implementation.” In her examples, “the innovations are out on the street rapidly in some form, but no one views that form as final; initial implementation is only the beginning of a process of constant change in response to information.” See O. Golden, “Innovation in Public Sector Human Services Programs: The Implications of Innovation by ‘Groping Along,’” *Journal of Policy Analysis and Management* 9(2), 1990, pp. 233, 239.

⁴¹ See R. Reich, “Policy Making in a Democracy,” in R. Reich (ed.), *The Power of Public Ideas* (Cambridge, MA: Ballinger, 1988); J. Cohen and J. Rogers, *Associations and Democracy* (New York: Verso, 1995).

inextricable link between policy design and implementation, a strategy of combining managing by groping along with muddling through allows implementation to reveal new ideas or alternative approaches that can be incorporated into policy design. Legislators, administrators, and managers thus may seek to learn from – rather than dictate and strictly monitor -- the process of implementation, and revise policy designs in response to lessons from the front line.⁴²

Such a feed back loop creates new possibilities for both situational and substantive learning. Actors' experience in implementing a policy and contributing to the revision of its design may reinforce support for it among implementers and beneficiaries.⁴³ Alternatively, implementation experiences may have a negative impact on political support for a policy idea, perhaps helping to marginalize it politically. To encourage positive, rather than negative, feed back from implementation experiments, proponents of new policy ideas may engage in political management, taking strategic action to foster popular and elite support for their ideas.⁴⁴ Strategic adaptations in policy designs that address both political weaknesses and substantive problems of policy effectiveness may gradually change implementation outcomes over time, by shoring up weak institutional linkages and resolving various aspects of the principal-agent problem. As a result, the political support that a policy enjoys may increase gradually, along with the effectiveness of its design. Substantive learning thus may contribute to situational learning, and a policy's effectiveness may reinforce its political standing.

III. Conclusion

The literature reviewed in this chapter makes a number of analytic distinctions in order to comprehend the processes involved in policy change -- between drastic and incremental policy changes, between situational and substantive policy learning, and between choosing and implementing policies. Separating these various concepts makes a great deal of intuitive sense, and scholars have marshaled an array of studies and data to support their claims.

The process of policy development and change through self-reflective bootstrapping confounds these distinctions, however. Instead, at least under certain circumstances, new policies that alter the system of policy making and public administration may emerge out of implementation experiments. In addition to being influenced by lessons from the legacies of past policies, policy choices may also be informed by the findings from exploratory approaches to implementing new, partially formed ideas. Hence street-level bureaucrats and other practitioners can develop policy as well as implement it. Situational learning may depend on substantive learning. Instead of constituting a once-and-for-all, one-size-fits-all choice of administrative measures and implementation tools, human services policy can allow for -- and even take advantage of --

⁴² Managers, for example, can "test ideas through experience, and...regard the divergent actions of implementers as reason to adjust the policy, not just to change the[ir] actions." See Golden, "Innovation in Public Sector Human Services Programs," p. 227.

⁴³ Momentum can build, for example, when the successful implementation of one project increases actors' enthusiasm to undertake other related ones. See E. Bardach, *Getting Agencies to Work Together: The Practice and Theory of Managerial Craftsmanship* (Washington: Brookings, 1998), pp. 276-7. See also M. Moore, *Creating Public Value: Strategic Management in Government* (Cambridge, MA: Harvard University Press, 1995).

⁴⁴ On political management, see Moore, *Creating Public Value*; P. Heymann, *The Politics of Public Management* (New Haven, CT: Yale University Press, 1987).

variations in problem-solving strategies and in state and local responsibilities across both time and space. These variations can then facilitate the ongoing adaptation of administration and implementation strategies, creating the potential to replace endless muddling in policy design with a system that fosters continuous gains in efficiency.

Both the piecemeal developmental process and the flexible, adaptive design of collaborative adjustment, then, cast into doubt the universal applicability (if not the predictive accuracy) of the distinctions that received analyses of policy learning and change emphasize. At least in the case of bootstrapping reform of the human services system, implementation and policy choices, as well as small-and large-scale policy changes, all lie along a continuum. Since it first began to emerge with changes in service delivery at the front line, the policy design of collaborative adjustment has moved slowly along this continuum, from implementation to small-scale policy change, and now potentially toward larger policy changes as well.

My narrow focus on current human services reforms prevents me from generalizing about the broader applicability of this process of policy development and change to other policy areas. As Chapter One suggested, however, collaborative adjustment for human services resembles approaches to policy making now emerging in other policy areas in the U.S. (e.g., community policing, school management, environmental regulation). Broadly speaking, collaborative adjustment is part of a larger class of policies referred to generally as “democratic experimentalism.”⁴⁵ Should collaborative adjustment and other forms of democratic experimentalism continue to develop through the process of bootstrapping and become institutionalized, portraits of policy change characterized by sharp distinctions between large- and small-scale change may become less and less applicable. The line between situational politics and substantive policy design may become even more blurry than it already appears.

In fact, each of the distinctions in the literature -- between implementation and policy choice, between situational and substantive learning, and between large- and small-scale policy change - - hardly seems to exist in the case at hand. While the development and design of collaborative adjustment confound the distinctions in the literature, the blurring of the existing analytic categories that bootstrapping connotes offers little more than the platitude that all is process. It appears difficult to identify the conditions under which a state is more or less likely to adopt and institutionalize collaborative adjustment. Further specification of the bootstrapping process must await the findings from empirical study.

The case studies that follow describe systemic reform initiatives in five states in detail, and identify change strategies that appear especially beneficial in the bootstrapping process. Before turning to the specific fortunes of reformers in individual states, however, the next two chapters describe an idealized version of the emerging system of collaborative adjustment, and how the idea for it developed. Chapter Three outlines the policy tools of collaborative adjustment for human services. Chapter Four then recounts the intellectual history of systemic human services reform, beginning with the reaction to the poor performance of the existing system, which gave rise to a gradual process of bootstrapping through exploration and experimentation in the field.

⁴⁵ See M. Dorf and C. Sabel, “A Constitution of Democratic Experimentalism,” *Columbia Law Review* 98(2), 1998.

**Figure 2.1: Predominant Actors and Modes of Learning
in Different Aspects of Policy-Making and Implementation**

	Policy Processes		
	Implementation -->	<-- Small Change -->	<-- Large Change
Predominant Actors	<i>Public Managers & Street-Level Bureaucrats --></i>	<i><-- Administrators & Issue Networks --></i>	<i><-- Politicians & Mobilized Interests</i>
Predominant Type of Policy Learning	<i>Substantive and Situational Both Possible (via Groping Along) --></i>	<i><-- Substantive (via Muddling Through) --></i>	<i><-- Situational (during Big Bangs)</i>

Chapter 3: The Design of Collaborative Adjustment for Human Services

Having situated the research problem theoretically in the previous chapter, the dissertation turns now to empirical matters. This chapter presents an idealized portrait of the human services system that is beginning to emerge in various guises in leading states, by describing in detail its component parts and how they complement one another.

I. Introduction

The chapter synthesizes and extrapolates from best practices in states that have undertaken systemic human services reform in recent years, to sketch an ideal version of the system of collaborative adjustment.¹ The aim is twofold: to illustrate developments that have already occurred in some places, and to encourage further system-building in leading states by suggesting how they might extend their accomplishments to make additional changes in the future.

To that end, the chapter describes six policy tools of collaborative adjustment:

1. new models of service delivery;
2. inclusive collaboration at the state, county, and neighborhood levels;
3. new approaches to allocating funding for human services;
4. evaluation based on the specific outcomes achieved for children and families; and
5. state-local partnership agreements that outline the terms of the working relationship between the state and local collaboratives;
6. the master tool of iteratively assessing and revising the other five policy tools, which makes possible the collaborative adjustment of state and local responsibilities.

The leading states vary in the extent to which they have adopted these tools. The chapter outlines how different states have operationalized each tool, and speculates on the advantages and drawbacks of different approaches. It then suggests how all the tools might work in synergy to make human services more effective at assisting families facing disadvantages.

While the policy tools described here could work together as a system of collaborative adjustment, at this point they represent more of a menu of reform possibilities. Each state has selected its own entry point(s) and next steps from the menu, in its efforts to pursue the larger agenda of systemic reform.² With most states' reform initiatives still far from institutionalization, the policy tools constitute more of a potential system than a fully functional alternative to the existing one. Thus, although it is based on actual developments in the states, the chapter articulates an idealized systemic vision that remains incomplete on the ground. The

¹ The chapter is based on detailed research in five states (Georgia, Iowa, Minnesota, Missouri, and Oregon), and more cursory research in a few others (e.g., Maryland, Ohio, Washington). The research involved reviewing state planning documents, reports, and evaluation studies, as well as interviewing state and local policy makers and staff.

² Thanks to Phyllis Rozansky for this insight.

vision tracks empirical developments closely, but, as a portrait of what might be, goes beyond what has emerged in any one state thus far. Where possible, I provide examples to illustrate the extent to which parts of the vision reflect states' actual accomplishments.

II. Six Policy Tools of Collaborative Adjustment³

1. Comprehensive, Integrated Service Strategies. Collaborative adjustment is a way to make policies that support the customization of human services to address the particular needs of individual children and families in the context of their communities. Research over the last two decades indicates that effective programs for children and families offer services that look significantly different from most of those offered by the existing human services system. Existing services tend to be uniformly designed, distinct from one another, and focused on remediating clients' weaknesses. Effective services, in contrast, are flexible, comprehensive, linked where appropriate, and designed to prevent problems by building on the strengths of each family.⁴

Making services more effective in these ways requires changing the way human services staff work with families. Research on best front-line practices suggests that service delivery should involve "problem-solving exchange[s] between mutually respecting people." Front-line staff need to be comfortable being uncertain what to do at times, and managers need to encourage them to use their discretion in making decisions.⁵

Since effective services can be packaged in various ways, some practitioners refer to new "service strategies" rather than to particular programs or models.⁶ Examples include:

- home visits by public health nurses or paraprofessionals to ensure that pregnant women receive adequate prenatal care and that new mothers have basic parenting skills;
- family support and preservation services that seek to prevent child abuse and neglect -- and ultimately out-of-home placements of children -- by improving parenting skills and family functioning in high-stress, high-risk families;
- school-linked services and pre-kindergarten programs that address the health and well-being of children and families, in addition to children's cognitive development.

Service providers can also build links between these formal services and the informal resources and supports that exist in neighborhoods (e.g., children's play groups, parents' networks, block watches, etc.), to complement their own efforts and limit the need for formal interventions.⁷

³ Portions of this section draw directly on S. Page, "State and Local Governance Structures for Comprehensive, Integrated Services: Options and Strategic Rationales," Draft paper prepared under contract for the Missouri Family Investment Trust, St. Louis, MO, July 1996. Thanks to the Family Investment Trust for permission to use the material.

⁴ L. Schorr, *Within Our Reach* (New York: Anchor, 1988); J. Kinney, K. Strand, M. Hagerup, and C. Bruner, *Beyond the Buzzwords*, Resource Brief (Falls Church, VA: National Center for Service Integration, 1994).

⁵ L. Schorr, *Common Purpose* (New York: Anchor, 1997), pp. 12-15.

⁶ Interview with Georgia state official (1996). See also Schorr, *Common Purpose*, pp. 12-15.

⁷ Child Protective Services (CPS) in Jacksonville, Florida, for example, asks families it serves to identify supportive friends or neighbors, and develops an agreement that specifies what they will do to support the family and under

Innovating states are using various approaches to foster the local design and provision of new service strategies and informal supports. Some states have dedicated funds to support a particular set of comprehensive, flexible services in specific types of local settings.⁸ Some have identified best practices in service delivery from other states and communities and from research findings, and established front-line collaboratives among service providers to adapt them to address local needs and to capitalize on local resources.⁹ Some have simply encouraged local service providers and public agencies to work together in designing and delivering new service strategies of their choice.¹⁰ Still other states have set broad goals in a particular area (such as child welfare), convened organizations that provide related services, and urged them to devise and implement their own local service strategies to achieve those goals.¹¹

Each of these approaches has advantages and drawbacks for the development of a full system of collaborative adjustment. State-specified service strategies are relatively simple to prescribe and implement, but may not give local service providers much experience addressing larger policy questions and negotiating with state officials. Letting local collaborators pick and choose their own service strategies may help empower them in working with the state. They may have difficulty, however, moving from specific service delivery projects to taking on planning and administration for all human services for children and families. A more open-ended approach offers service providers the chance to experiment with a range of different service strategies on their own, but may leave them without a concrete initiative on which to focus their energies. It also does little by itself to establish a clear dialogue about service strategies between local actors and the state. Setting broad goals, convening stake holders, and encouraging the use of various service strategies to achieve the goals are key elements in a system of collaborative adjustment, but developing them takes time and requires considerable capacity building.¹²

what circumstances they will re-contact the CPS agency. Housing managers may keep an eye on families, or a neighbor may visit daily to ensure that parents are taking care of their children. The Patch Project in Iowa integrates informal supports with formal services for families, using neighborhood offices that operate as part of the community. See J. Waldfogel, "Rethinking the Paradigm for Child Protection," *The Future of Children* 8(1), Spring 1998.

⁸ Examples include Missouri Caring Communities (school-linked services) and Ohio's Family Resource Centers.

⁹ E.g., Georgia's Family Connection. The Service Strategy Team of the Georgia Family Policy Council assists state agencies and communities in designing and implementing various service strategies. See Georgia Policy Council for Children and Families, "How We Are Organized for Implementing the Framework for Improving Results," Atlanta, February 13, 1997, mimeo, p.7. The team recently completed piloting, revising, and disseminating a new preventive service strategy for communities to implement, called universal contact at birth. Once the team refined the new service strategy, the legislature provided funding to serve every new born child in the state. Interviews with state officials (1996, 1997).

¹⁰ Examples include Oregon's Community Partnership initiative, and Minnesota's Family Service Collaboratives.

¹¹ Examples include Iowa's Decategorization Initiative and Maryland's Local Management Boards. The Decategorization Initiative brings together local Department of Human Services staff, the juvenile court, and the Board of Supervisors in each county, and lets them use various child welfare funding streams to offer a flexible array of preventive and treatment services to families, to reduce the need for restrictive, institutional, out-of-home services.

¹² Iowa's Decategorization Initiative, for example, started in only two counties, took ten years to expand around the state, and still only targets a very specific population and range of services (alternatives to out-of-home placement).

2. Inclusive Collaboration. In the existing system of human services, a separate state agency (or division thereof) is usually responsible for administering a particular type of categorical program. Each agency has line staff -- or contracts with service providers -- that specialize in a particular discipline, who deliver the service(s) associated with its programs. As a result, the children and families who qualify for a variety of services encounter myriad specialists, application forms, rules, and service delivery processes -- none of which may fully address their situation, because each deals with only a narrow category of need.

A system of collaborative adjustment, in contrast, utilizes horizontal partnerships among different agencies to bring different kinds of specialists together to serve families in flexible, responsive ways. The organizational entities responsible for delivering, administering, and governing human services are interagency collaboratives at three levels of government: front line, neighborhood service delivery; the county (or region); and the state. In contrast to the existing system, which keeps the delivery and administration of similar or overlapping services separate, interagency collaboration enables service providers to bring a range of services and informal supports together to respond to families' various strengths and needs.

a. Neighborhood collaboratives include front-line service providers, community leaders, neighborhood residents, and service recipients. Many of the new service strategies require the expertise of several types of service providers working together (e.g., school-linked services may involve public health nurses, mental health specialists, child welfare staff, probation officers, and others). Neighborhood collaboratives provide a vehicle for these providers to work jointly with families, community members, and one another to develop customized service plans for individual families, and to coordinate services and informal supports for the entire neighborhood. Front line collaboration can build on strong interpersonal relationships among service providers, but often requires participants to overcome boundaries and habits created by insular agency work cultures and discipline-specific training. States may or may not assign front-line collaboratives formal decision-making roles in their new system of human services, but many rely on them to deliver the new service strategies.¹³

b. Community Partnerships at the county (or regional) level coordinate, convene, and provide technical assistance to the neighborhood collaboratives within their geographic jurisdictions. Community partnerships are generally responsible for assessing local needs and resources, developing comprehensive service plans based on the priorities of their neighborhoods, submitting these plans to the state, drawing on the resources of their members and of state agencies to implement the plans, and reporting the results to the community at large and to the state.¹⁴ Their comprehensive plans may identify: specific outcomes (goals) to be

¹³ Two states that do grant formal decision-making roles to neighborhood collaboratives are Missouri and Washington. For examples and details, see Center for the Study of Social Policy, *Systems Change at the Neighborhood Level: Creating Better Futures for Children, Youth, and Families* (Washington: Author, September 1996).

¹⁴ In Missouri, for example, "The community partnerships are ... more than advisory, planning, or coordinating bodies. They are making strategic decisions using good community assessments, more reliable data, and a collaborative process. These decisions are about how services are organized and funded for children and families in their communities. Community partnerships are moving toward sharing the responsibility and the risk for their

achieved; service strategies to achieve them; the budget and staff necessary to implement the service strategies; requests for waivers, technical assistance, and funds to support implementation; and an evaluation method to measure the achievement of the outcomes.¹⁵

Depending on the state, communities' comprehensive plans may or may not have a direct impact on how public funds are used to serve children and families. At this point, most states use their community partnerships primarily as planning and management entities for specific programs, with the state still allocating most of the public resources for human services. With only a few exceptions, the community partnerships in most states have been operating for only a few years, and their comprehensive plans reflect their limited experience and capacity.¹⁶

The members of community partnerships may be designated in legislation, convened by county or local governments, elected by public ballot, appointed by state officials, or self-appointed. Participation by local governments, school districts, public agencies, service provider organizations, and community groups can give community partnerships access to policy makers, political influence, financing, expertise, and other resources.¹⁷ Service providers and county agency representatives can bring their expertise and, potentially, staff time and funding to the community partnerships. Community partnerships can also gain crucial planning and logistical information from the hands-on perspectives that community groups have on neighborhood needs, and from the voices of local residents who are directly and indirectly affected by their efforts.

In addition, some states specify that each community partnership must include a certain percentage of "lay participants" -- business and civic representatives, service recipients, and citizens. Their formal participation in making policy and program decisions is a significant departure from the existing human services system, in which legislatures, public agencies, and service providers have the final say in making most decisions. Including service recipients in planning is essential to designing user-friendly, effective service strategies, and the outside perspective of citizens and business representatives can lend new ideas and pragmatism to decision making processes. Most significantly, lay participants are less likely to have clear vested interests in decisions about service designs and budget allocations. As a result,

decisions with state agencies." P. Rozansky, *Navigating the River of Change: The Course of Missouri's Community Partnerships* (St. Louis: The Family Investment Trust, April 1997), p. 19.

¹⁵ In Georgia, for example, each community partnership's comprehensive plan features objectives, a target population, service strategies, and intermediate performance standards for each core result (or outcome) to be achieved. The Dawson County Family Connection Partnership, for example, seeks to achieve the outcome of preventing teenage pregnancy by "reduc[ing] the five-year average rate of pregnancies for 15-17 year old girls from 42.1 to 30.0 within five years." Their target group is "families of: children living in poverty in female-headed families, children who experience early school failure, children who are abused/neglected." Service strategies consist of "economic development, school referral and resource system for high risk youth, preventive health and delinquency programs." Intermediate performance standards include getting partners to cooperate on the referral and resource system, economic development, and prevention programs. See Georgia Policy Council for Children and Families, "Summary of Community Partnership Comprehensive Plans," mimeo, March 28, 1997, p. 4.

¹⁶ The most notable exception is perhaps the Youth Futures Authority in Savannah, Georgia.

¹⁷ A few states have therefore specified that elected county commissioners must approve the members of community partnerships, in order to secure local political support for their activities. Examples include Georgia and Ohio, among others. In Iowa, elected county Supervisors are members of the county Decategorization Boards.

community partnerships with lay majorities may be able to avoid the self-interested tendency of service providers and public agencies to haggle over the allocation of program funds. Discussion can then focus more productively on designing a comprehensive local system of coordinated services and supports for families and children.¹⁸ Lay participation also may ultimately help build popular support for systemic reform and for increasing the overall public commitment to assisting children and families. Several innovating states envision that the importance of lay participants in their state and county collaboratives' activities will increase over time, as the actors' gain experience with their new roles and responsibilities.¹⁹

c. A state collaborative that encompasses the different state agencies whose work affects the lives of children and families can set a broad policy agenda that cuts across program and agency lines. It can also coordinate all the state agencies' operations to support the design and implementation of the community partnerships' comprehensive plans.

Most states pursuing systemic reforms have created a state Children's Cabinet or Family Policy Council to make formal policy decisions, oversee and assist the community partnerships, and ensure that the state agencies support local collaborative efforts.²⁰ An interagency work team of deputies or the staff office for the Policy Council usually staffs their work and implements their decisions. In addition, some states have established another complementary body -- usually a nongovernmental, state-level entity -- to build capacity, train staff, and otherwise assist the state agencies, community partnerships, and neighborhood collaboratives.²¹

Regardless of its composition and size, the state collaborative and its staff usually: develop the state's policy strategy for children and families, including principles and standards for

¹⁸ Legislation in Washington state, for example, specifies that 13 of the 23 members of each Community Health and Safety Network board must be "non-fiduciary" members, and that the others must be fiduciary. The aim is to have both lay participants and service providers at the table, to generate innovative and sensitive responses to local issues. Provider-only planning can help coordinate services, but rarely transcends existing programs and systems. Citizen participation, in contrast, can move the discussion beyond how to design programs in a way that splits existing funds among current providers. Disputes may continue among providers over which program strategies are best and how to allocate funds, but the providers ultimately need at least a portion of the citizen majorities to make binding decisions. The citizen-provider split helps focus the dialogue on designing service strategies and using data to evaluate activities, and can prevent outright log-rolling among providers. Interviews with state official (1995, 1997). For similar reasons, the Deschutes County (Oregon) Commission on Children and Families and the Local Investment Commission (LINC) in Kansas City (Jackson County), Missouri, have established boards comprised entirely of lay citizens.

¹⁹ Interview with staff of the Center for the Study of Social Policy (1997).

²⁰ Membership in Children's Cabinets is usually restricted to participants in the executive branch of state government -- the directors of state agencies that serve children and families, a representative from the Governor's office, and sometimes the director of the state department of budget, finance, or administration (e.g., Maryland, Minnesota, Ohio). State Policy Councils or Commissions on Children and Families usually have broader memberships (e.g., Georgia, Oregon, Washington). They often include state agency heads as ex-officio members, as well as state legislators, business representatives, civic and religious leaders, community representatives (sometimes at-large, sometimes from the community partnerships), local government representatives, service providers, policy analysts, advocates, and consumers. Depending on the state, these members are appointed by the governor, the lieutenant governor, members of the legislature (e.g., the speaker, president, or committee chairs), and/or the groups to be represented themselves.

²¹ Examples include the Georgia Academy and the Missouri Family Investment Trust.

establishing the local collaboratives and for their planning and service delivery activities; identify core results (outcomes) to be achieved, and indicators to measure them; review, revise, and approve the communities' comprehensive plans; develop a budget (jointly or separately by agency) to support the local comprehensive plans and track expenditures; develop state wide data gathering and evaluation strategies, and monitor the results (outcomes) that communities achieve for children and families; monitor communities' plans and their implementation to ensure equity and other basic procedural guarantees for families; document and disseminate best practices to communities (regarding community planning, service strategies, financing, governance, waiver requests, and other techniques); and provide funding, technical assistance, capacity building, waivers, and other responses to support the community partnerships' efforts.

The extent to which the state collaborative currently carries out these responsibilities varies from state to state. Most state collaboratives have developed an overall policy agenda for children and families, and provide technical assistance and capacity building to community partnerships. Some state collaboratives have also designated core results for the community partnerships to achieve.²² Even the most innovative states, however, have had only a few years of experience with the process of community partnerships developing comprehensive plans and the state collaborative reviewing and approving them. Best practice dissemination and waiver assistance generally occur in an *ad hoc* fashion in most states right now, although a few have established explicit approaches in these areas.²³ A few states are beginning to measure and track data to measure counties' performances.²⁴ Virtually no states have taken concrete steps yet to design their budgets for human services according to community partnerships' comprehensive plans, although some are working hard to figure out how to do so.²⁵

3. Funding: Core Dollars vs. Project Dollars. The functioning of any human services system depends substantially on how resources, such as funding and staff, are made available for service delivery and administration. The existing human services system allocates resources according to centrally determined categories of need and benefits. Budgets depend on policy makers' willingness to commit resources to programs defined by general problems that children and families face. Federal and state funding for maternal and child health, for example, pays for specific programs and services that address the health needs of pregnant women and children. Federal and state funding for child welfare pays for specific programs and services that seek to prevent abuse and neglect, or that protect children from their families who abuse or neglect them. Similar federal and state programs in other categories (e.g., child care, income maintenance, job

²² The states that have made the most progress identifying core results include Georgia, Missouri, Ohio, Oregon, Vermont, and Washington.

²³ Georgia, for example, has a state team responsible for developing and disseminating new service strategies (see n. 9 above), as well as a Management Team that establishes teams (nicknamed "Barrier Busters") as needed to address policy barriers that communities have identified. Georgia Policy Council, "How We Are Organized for Implementing the Framework for Improving Results," p.8.

²⁴ See Georgia's web page, for example: <<http://www.pccf.state.ga.us/results>>.

²⁵ A number of states (e.g., Minnesota, Oklahoma) currently have Children's Budgets, which identify the public funds spent on different programs for children and families. These differ from budgets that are actually based on outcomes in response to community partnerships' comprehensive plans (see the discussion of "budgeting by outcomes" below).

training, juvenile justice, mental health, mental retardation, developmental disabilities, etc.) supply the core funding for the main stream of the existing human services system.

In contrast to the existing system, a system of collaborative adjustment would allocate resources to achieve specific improvements in children's and families' lives. In a fully operational system of collaborative adjustment, the allocation of core funding to support communities' efforts might occur through a process of "budgeting by outcomes," in contrast to the budgeting by programs that occurs in the existing system.²⁶ To budget by outcomes, the state collaborative and the community partnerships would agree on the outcomes they wish to achieve (e.g., more healthy births), as well as indicator data to measure the achievement of these outcomes (e.g., lower rates of under weight births, higher rates of prenatal care). Next they would examine best practices in the field, community experiences, and research literature to identify effective techniques to achieve these indicators, including providing and publicizing direct services, restructuring program incentives to influence individual behavior, and increasing the availability of informal neighborhood supports. Each community partnership would develop a comprehensive community plan that included approaches to address each indicator. These plans would build on existing local resources, re-deploy resources that might work more effectively in new ways (e.g., emphasizing the prevention of family problems instead of their remediation), and identify the staff and budget needed for implementation. By putting all the community partnerships' plans together, the state collaborative would compile an "agenda of actions and costs" to use in developing a multi-year budget plan to address the range of issues that the communities prioritized.

a. Initial Approaches. No state has achieved this ideal in practice, but innovating states have initiated two approaches to funding the comprehensive community plans and to improving the local capacity for planning and management. Some states have given their community partnerships special project funds from foundations, federal programs, or new state initiatives, to support the implementation of specific service strategies.²⁷ A few states have block granted narrow portions of core human services funding to their community partnerships to use flexibly to achieve very specific outcomes.²⁸

Budgeting by outcomes ultimately requires that community partnerships' comprehensive plans serve to allocate core funding to service strategies that will achieve specific outcomes for children and families. A number of innovating states envision using their communities' comprehensive plans as direct guides to budget core state and federal funding in the future, but

²⁶ This term and the following paragraph draw directly on the Center for the Study of Social Policy, *From Outcomes to Budgets*, Draft (Washington: Author, July 1995), pp. 12-18. For further details and examples of the process of budgeting by outcomes, see M. Friedman, *A Strategy Map for Results-Based Budgeting* (Washington: The Finance Project, September 1996). For examples and a discussion of outcomes and their use in evaluating local collaboratives' accomplishments, see the next section of this paper.

²⁷ E.g., Minnesota, Missouri, Ohio's Family Resource Centers.

²⁸ For example, Iowa's Decategorization Initiative and Maryland's Systems Reform Initiative both seek to reduce out-of-home placements. Ohio's Wellness Block Grant seeks to prevent teen pregnancy. For a more detailed discussion of the issues involved in using project funds or core funds to support communities' service strategies, see the Center for the Study of Social Policy, *Trading Outcome Accountability for Fund Flexibility*, Draft (Washington: Author, December 29, 1995), especially pp. 22-23.

are still working out the details of how to do so. Those states that now finance their community partnerships' efforts with project funds rather than core dollars run the risk that the community partnerships may remain the planners and administrators of a few integrated service strategies that operate parallel to the main stream, existing human services system. The states that have given their community partnerships direct control over narrow portions of core funds must avoid letting the community partnerships end up as enclaves with little impact on the main stream human services system.

b. Transition Strategies. States face challenges in trying to make the transition from a parallel or enclave operation to a main stream one in which core human services funds are budgeted according to the outcomes for children and families that communities prioritize in their comprehensive plans. Meeting this challenge requires building the capacity and extending the authority of the community partnerships to encompass a number of new responsibilities. The best approach is likely to vary, depending on state and local circumstances, so reformers must keep the end goal in mind and remain flexible about the best route to achieving it.

States that now finance their community partnerships' efforts with project funds, for example, need to find a way for the communities to begin to handle core funds to support the implementation of their comprehensive plans. For example:

- Through their Family Connection and Caring Communities Initiatives, respectively, **Georgia** and **Missouri** offer special project funds to local collaboratives throughout the state, to support locally designed integrated service strategies. The state collaboratives in both states have also designated county-level Community Partnerships to assist the local-level collaboratives. The Community Partnerships have formal responsibility for improving outcomes for children and families, and are authorized to request pooled funding from the state in order to achieve those outcomes.²⁹ The impact of the Partnerships' comprehensive plans on the state agencies' core budgets and practices remains unclear and indirect, however.
- **Ohio** initially gave its community partnerships (County Family and Children First Councils) very modest special grants to support staff and coordination. More recently, the state delegated responsibility to the County Councils for allocating a small portion of core funds, through a block grant that consolidates all funding for teen pregnancy prevention. After the counties gained experience with this pooled funding approach, the state created another block grant that consolidates and passes through funding to support services to prevent child abuse and neglect.

States that have already given their community partnerships control over narrow portions of core funds to achieve very specific outcomes need to find ways to extend these innovations to encompass a wider range of service strategies and outcomes. For example:

²⁹ In Georgia, "Each community partnership is created...to achieve a core set of results defined jointly by the community partnership and the [state] Policy Council; to develop, adopt, submit to the Policy Council for approval, and from time to time amend, a comprehensive plan for public and private agencies to deal effectively with the problems of children, youth, and families...; to coordinate, evaluate, and provide services and assistance in implementing and carrying out the comprehensive plan...; and to contract with public and private agencies...to provide programs and services...to carry out the provisions of the comprehensive plan...." Georgia Senate Bill 256, Section 49-5-260.

- **Iowa's** Innovation Zones build on the success of the state's narrower Decategorization Initiative, by encouraging a variety of partners to collaborate at the community level to try to improve a wide range of outcomes for children and families.³⁰
- **Maryland** is redefining its Systems Reform Initiative to address services and supports for children and families that go beyond avoiding out-of-home placements, which was the initial focus of the activities of its community partnerships (called Local Management Boards).³¹

Some states have had more difficulty defining the role of community partnerships in relation to core human services funding. For example:

- Policy makers' interpretations differ over whether the **Oregon** County Commissions on Children and Families ought to control their own (parallel) program funds, or develop plans that influence how state agencies allocate their human services budgets. The County Commissions handle some program funds of their own (e.g., Great Start), but also develop comprehensive plans. The plans influence the state agencies' activities in only a few counties that have particularly active Commissions, however, and the Commissions' formal role in relation to the state agencies and to funding for direct services is still under debate.³²
- **Minnesota's** Family Service Collaboratives receive special project funds from the state to implement their comprehensive plans. The state encourages them to link their work to other public services and community resources, but has no explicit plans to grant them power to allocate core human services funds. The local collaboratives have yet to take advantage of a recent statute permitting them to request that the state pool funds from various core human services programs to support the implementation of local comprehensive plans.³³

If the community partnerships begin to allocate more core funding, the state collaborative can play a critical role supporting and reinforcing the requests of the community partnerships for changes in systemic operations by state agencies and service providers. Some state collaboratives, for example, have the authority to waive regulations and propose changes in agency operations in response to requests from individual community partnerships.³⁴ Some state collaboratives have identified community liaisons within each state agency, who are responsible for coordinating the agencies' responses to communities' requests for assistance or resources.³⁵ Other state collaboratives function more informally as intermediaries between the community partnerships and the state agencies. In these cases, the agency heads -- who are members of the

³⁰ In accordance with legislation enacted in 1996, "a new equal partnership will be developed between the Innovation Zones and the State to provide technical assistance, negotiate local flexibility, and share the risk and the responsibility for improving results for children and families." "Bold Steps...Breakthrough Results," Des Moines, IA, mimeo, n.d., p. 36.

³¹ One state official in Maryland, for example, described the revamped Initiative as "a way of looking at how we provide all kinds of services that affect families (economic development, health care, transportation, job training, child care, etc.), rather than being a particular program or set of services for particular populations." (Interview, 1997.)

³² Interviews with state and county officials (1996, 1997, 1998).

³³ Interviews with state officials (1996, 1998).

³⁴ E.g., Georgia's "Barrier Busters" team (see n. 23) and Iowa's state Innovations Board.

³⁵ E.g., Missouri's Caring Communities Coordinators.

state collaborative -- may be able to exert authority within their own agencies to induce operational changes that address the concerns of the community partnerships.³⁶

c. Advantages and Drawbacks. These initial approaches and transition strategies suggest a variety of prospects for states' attempts to move toward budgeting by outcomes.

The success of Iowa's Decategorization Initiative -- in terms of both improved outcomes and political support -- indicates the virtues of giving local actors responsibility for allocating core funding from the very beginning. Even if the breadth of community responsibility is narrow, control over some core funding enables the communities to drive changes in the way that state agencies and service providers operate (even if only for a few types of services and for specific client populations). Iowa's and Maryland's current efforts to expand the focus of their local collaboratives to address a wider range of services for children and families will illuminate the challenges of starting communities off with responsibility for a narrow base of core funding.

Recent developments in Ohio suggest that offering modest funding for planning and staff to help build the capacity of community partnerships does not necessarily prevent later attempts to devolve responsibility to them for managing core funds. Georgia and Missouri have created formal provisions and viable informal channels to encourage their community partnerships to ask the state to pool core funds to help them implement their comprehensive plans. The extent of operational changes that these arrangements will actually induce remains unclear, however. For the community partnerships in all three of these states to increase their role in allocating core dollars, key actors (including state agency staff) still need to change their expectations about the roles and responsibilities of the community partnerships.

Reformers in Minnesota and Oregon, finally, have not (yet?) begun to adapt their emerging reforms to address the issue of core funding in a definitive way, and their community partnerships continue to receive only project funds for planning and direct service delivery. As the incremental developments in other states illustrate, nevertheless, reformers who keep the ultimate aim (fostering joint state and local responsibility for improving outcomes for children and families) clearly in mind can usually find ways to pursue it, regardless of their initial approaches to funding local efforts.

4. Community-Wide Measurement of Outcomes Achieved. Formal or informal evaluation is critical to help policy makers decide whether to continue funding human services programs, and to enable administrators and service providers to make changes to improve their effectiveness in serving children and families. Evaluations can be based on various criteria, ranging from programs' political popularity to their effects on their target populations.

Existing program evaluation techniques usually compare the effects of a single specific program (a service or intervention, or a package thereof) on one group of children or families with the

³⁶ The members of Ohio's Children's Cabinet and the Missouri Family Investment Trust can play this role. (Interviews with state officials, 1996.)

experiences of a demographically similar control group that receives no intervention. This approach can identify programs that achieve their particular goals with their particular target populations well, but is difficult to use to determine the effectiveness of an array of strategies directed to many different sub-populations in an entire neighborhood or county.³⁷ Its impact on human services policies, moreover, can be marginal, as policy decisions often respond to log rolling, political exigencies, and other concerns that have little to do with the measured impact of programs on children and families.

Policy making in a system of collaborative adjustment, in contrast, focuses explicitly on improving poor outcomes for children and families (such as dropping out of school, unemployment, teen pregnancy, or criminal or violent behavior). Most state collaboratives have identified a set of outcomes or “core results” for children and families that the new system is intended to improve. Core results play two critical roles in a system of collaborative adjustment. They serve as goals that community partnerships’ comprehensive plans, and ultimately state budgets, are designed to achieve. Outcomes also serve as measures of communities’ -- and ultimately the system’s -- performance, and hence as standards for evaluation.³⁸

To measure the outcomes that the community partnerships achieve, the state collaborative specifies indicators for which the community partnerships can collect annual data.³⁹ The state collaborative and the community partnerships can use these indicators to measure accomplishments over time in various ways:

- by setting a fixed indicator standard to be achieved (e.g., immunize all two-year-olds by 2000);
- by tracking the change in each indicator from one point in time to another (e.g., increase the percentage of two-year-olds immunized by 2000); or
- by tracking the progress achieved on each indicator against a baseline forecast (e.g., increase the percentage of two-year-olds immunized by 10% by 2000, to improve on the 2% decrease that current trends predict).

The baseline approach is the most realistic and fair, since it takes into account predictions about how indicator data might change in the absence of new service strategies and comprehensive planning. Regular data reports of progress achieved against baselines can provide a continuous source of information to guide the work of community partners and state-level collaborators.⁴⁰

³⁷ On the limits of using control sites to evaluate comprehensive initiatives, see R. Hollister and J. Hill, “Problems in the Evaluation of Community-Wide Initiatives,” in J. Connell, A. Kubisch, L. Schorr, and C. Weiss (eds.), *New Approaches to the Evaluation of Comprehensive Community Initiatives* (Washington: Aspen Institute, 1995).

³⁸ Georgia Policy Council, “How We Are Organized for Implementing the Framework for Improving Results,” p. 5.

³⁹ Georgia’s Core Results, for example, are: healthy children, children ready for school, children succeeding in school, strong families, and economically self-sufficient families. The state Policy Council has specified indicators to measure progress on each Result (e.g., healthy children will be measured by, among other indicators, the percentage of children immunized by age two). See Georgia Policy Council for Children and Families, *On Behalf of Our Children: A Framework for Improving Results* (Atlanta: Author, 1996). For other states’ outcomes and indicators, see Center for the Study of Social Policy, *Trading Outcome Accountability for Fund Flexibility*, Appendix A.

⁴⁰ This paragraph draws directly on Friedman, *A Strategy Map for Results-Based Budgeting*, pp. 20-23. Also see Center for the Study of Social Policy, *Trading Outcome Accountability for Fund Flexibility*, pp. 10-11.

The community partnerships, with assistance from the state collaborative, are generally responsible for tracking the indicator data over time, to enable state and local policy makers, clients, and citizens to monitor what their service strategies achieve. Tracking indicators can be more complicated than it might appear, since different state agencies and community-based organizations -- if they track data on the relevant indicators at all -- often track them in different ways that make comparisons difficult if not impossible (e.g., by census tract, zip code, school district, service delivery region, etc.). State evaluation plans therefore need to identify uniform indicators, data sources, and tracking methods.⁴¹

The design and ease of using indicator data to evaluate community performance depends largely on the types of services and families that communities' comprehensive plans address. Community partnerships whose service strategies and target families are extremely specific can measure their accomplishments relatively easily, both in terms of services offered and their fiscal impact.⁴² Communities whose comprehensive plans address a variety of families and services face more difficulty determining their successes, their fiscal impact, and the revisions needed to make improvements in the future.

In particular, a community-wide, outcomes-based approach to evaluation has difficulty discerning the precise impact of particular service strategies or program components on the well-being of individual children and families. It nevertheless can offer a portrait of the combined impact of an array of service strategies on outcomes for children and families throughout an entire community. In its role as a central clearinghouse for best practices and good results, the state collaborative may be able to compare and contrast the effectiveness of different combinations of service strategies and implementation efforts in demographically similar counties.⁴³ While such a strategy could never prove definitively that one set of service strategies is superior to another, it can provide some guidance as to what works and what doesn't in different kinds of settings. No innovating state has developed its new system of outcome-based evaluation far enough yet to undertake these kinds of comparisons. Planning documents from a few states suggest that evaluators are at least considering trying to structure comparisons of the

⁴¹ Missouri's evaluation plan, for example, specifies that data will be tracked by zip code, using school-wide averages for students enrolled in Caring Communities (school-linked services) schools, and individually for "core clients" identified by each school. The schools and relevant state departments are responsible for tracking specific indicators that they have the data to measure. The findings will show state and local collaborators "how the benchmarks [indicators] are changing for Caring Communities' neighborhoods, schools, and core clients," as well as "how these changes compare to similar neighborhoods, schools, and individuals...." Philliber Research Associates, *Using Benchmarks to Chart the Progress in Caring Communities* (St. Louis, MO: Author, 1997), pp. 4-5.

⁴² Iowa and Maryland, for example, initially directed their local collaboratives to focus explicitly on families at-risk of out-of-home placement. Not only is the target population clearly defined, but the outcome -- avoiding out-of-home placements -- is easy to measure.

⁴³ This observation is inspired by C. Sabel, "Learning by Monitoring," in N. Smelser and R. Swedberg (eds.), *The Handbook of Economic Sociology* (Princeton: Princeton University Press, 1994); C. Sabel, "A Measure of Federalism," *Research Policy*, Special Issue, 1995.

plans and implementation efforts of different community partnerships.⁴⁴ Developing techniques to address these challenges is critical to refining the evaluation component of a system of collaborative adjustment.

Since the ultimate goal of the new system is to improve the results that the community partnerships' service strategies achieve, the new evaluation approach eventually needs to include some consequences for local performance. Some states offer financial incentives to communities that achieve their core results, to encourage innovative efforts to design new service strategies and achieve efficiencies in management and administration. By providing additional resources for community partnerships to use for new service strategies, incentive schemes can make the work of successful community partnerships politically popular as well.⁴⁵ Some states also specify that communities that consistently fail to achieve their core results will face sanctions or receive enhanced technical assistance and scrutiny from the state (e.g., Washington), but most states have yet to identify actual penalties for poor performance.

Regardless of the formal consequences attached to the accomplishments of the community partnerships, a system of collaborative adjustment benefits in two broad ways by holding local actors accountable for tracking indicators of outcomes for children and families. First, by making public the data that the locals track, state and local collaborators can offer concrete evidence of which communities are achieving the state wide goals for children and families, and which are not. Comparisons of service strategies, implementation performance, and outcomes achieved in different communities can then inform decisions by state and local actors about how to modify each community's service strategies and policy making responsibilities to try to achieve improvements. Second, holding all of the community partnerships accountable for tracking data creates a public record of the accomplishments and failings of the entire system of collaborative adjustment over time. Elected officials thus have a valid way to judge whether or not the human services administrators they appoint are achieving the results they want, and voters in turn have a way to judge whether the officials they elect are appointing worthy administrators. In these ways, systematic data tracking and comparison can help make the system accountable to communities, elected officials, and the public alike.

5. State-Local Partnership Agreements. In addition to collaborating horizontally, neighborhood, county, and state actors can collaborate vertically to design, implement, and evaluate service strategies. Vertical collaboration creates policy making arrangements that permit local variation in place of a one-size-fits-all system, while simultaneously facilitating cross-site learning, monitoring, and coordination by the state.

⁴⁴ E.g., Georgia and Missouri. See Georgia Policy Council for Children and Families, *Aiming for Results: A Guide to Georgia's Benchmarks for Children and Families* (Atlanta, GA: Author, 1996); Philliber Research Associates, *Using Benchmarks to Chart the Progress*.

⁴⁵ Iowa's Decategorization Initiative, for example, permits counties to apply the savings they achieve through service improvements to new, preventive service strategies. The Initiative has reduced out-of-home foster placements, and proven popular in participating counties. M. Kimmich, et al., *Iowa Decategorization and Statewide Child Welfare Reform: An Outcome Evaluation*, Prepared for the Division of Adult, Children, and Family Services, Iowa Department of Human Services (Salem, OR: Human Services Research Institute, August 1995).

As the earlier descriptions of the responsibilities of state, county, and neighborhood collaboratives suggest, however, connections among the activities of the three levels of collaboration remain vague in many instances. A number of state collaboratives offer capacity building and technical assistance to local collaborators, and promise to help “bust barriers” -- by arranging for regulatory waivers, fiscal flexibility, or other changes in state agency operations to facilitate the implementation of local service delivery plans. Such commitments serve as a gesture of good faith by the state to work as a partner with the local collaboratives.⁴⁶

To structure the working relationship between the state and local collaboratives further, some states have designated community partnerships as formal local governance entities, distinguishing them from the more informal collaboratives from which they developed.⁴⁷ The state collaborative and these community partnerships have begun to negotiate “partnership agreements” that identify explicit state and local responsibilities for improving outcomes for children and families, and clarify mutual expectations about carrying them out.⁴⁸ Some of the issues that these partnership agreements encompass are:

Targeted Services and Population(s): The general concept of improving human services for children and families does not specify exactly which services and families the community partnerships will address in their comprehensive plans. Some states specify the types of services and families that community partnerships must address (e.g., children at risk of out-of-home placement in Iowa’s Decategorization Project). Other states ask their community partnerships to offer a variety of services to all children and families in specific neighborhoods (e.g., Missouri). Still other states permit their community partnerships to specify which services and population(s) they will address in their comprehensive plans (e.g., Georgia). Instead of specifying which services and populations the community partnerships must address, some states specify that state agencies must retain explicit authority for delivering certain kinds of services (e.g., child protective services in Oregon). Communities then have the option of addressing all other types of services and supports in their comprehensive plans.

Implementation: Some states specify that their community partnerships are responsible for managing the delivery of services, either by deploying staff to a front-line collaborative, or by contracting with service providers (e.g., Missouri, Ohio). The public agency line staff and service providers in the existing system, however, may be loath to give up their current implementation roles, regardless of their (in)competence or (dis)comfort working in a system of collaborative adjustment. The expedient political solution -- assigning service provision solely to existing public agencies and service providers -- nevertheless leaves the community partnerships as mere planning and advisory bodies, with no direct influence on final decisions about service design and delivery. In such a scenario, the community partnerships and the other policy tools of

⁴⁶ This paragraph draws on a helpful conversation with Mark Friedman. For an example, see the description of Georgia’s Barrier Busters Teams in n. 23.

⁴⁷ Leading examples include Georgia, Maryland, Missouri, Vermont, and Washington.

⁴⁸ For examples of the responsibilities of the state collaborative and the community partnerships under such agreements, see Maryland Systems Reform Transition Team, *Building the Partnerships: Guidelines for LMBs, Local Government, and State of Maryland*, Working Paper of the Intergovernmental Administration Working Group, July 1997, Draft #5, pp. 17-19.

collaborative adjustment may remain outside the main stream human services system. Some states therefore specify that their community partnerships should not implement their comprehensive plans directly, but assign implementation to state agencies and service providers “in partnership with” the local collaboratives.⁴⁹ Here the formal role of the community partnerships is restricted to planning, and the details of managing and administering their comprehensive plans for service delivery must be worked out with the relevant public agencies and service providers.

Fiscal Authority: The earlier section on flexible funding explored the critical question of which funds may be included in the state-local partnership agreements. Regardless of the source of funding for local activities, the partnership agreements must resolve the mechanics of flowing funds directly from the state to address local priorities. The principle of local decision making implies that the community partnerships ought to manage funds directly, but both the logistics and the politics of such arrangements cause problems when the funds involved comprise a large portion of the state human services budget. A practical compromise is to allow community partnerships or the state collaborative to submit budget requests that determine the allocation of state-managed funds. Some states that make pooled funding available to communities, for example, retain fiscal authority at the state level, although local actors decide how to allocate the funds.⁵⁰ In addition, many states require community partnerships to designate fiscal agents, or to establish new collaborative fiscal entities (e.g., the Youth Futures Authority in Savannah, Georgia), to process any funds that they receive from state agencies, private foundations, the federal government, or sources.

Capacity building and training: Training and capacity building may or may not be an explicit component of a state-local partnership agreement, but they are nevertheless an important aspect of the state-local relationship. States usually designate mid-level state staff as liaisons to the community partnerships. Some states have also established independent state-level technical assistance and capacity building organizations.⁵¹ They offer workshops and networking opportunities for the community partnerships, and occasional “field trips” to other states to learn more about alternative approaches to collaboration, community planning, and service delivery. In addition, some states offer their community partnerships modest funding for staff, planning, collaboration training, and other capacity building efforts.⁵² Many states also develop and document best practices for assessing local needs and delivering comprehensive services, and make them available to the community partnerships. Approaches include pulling together

⁴⁹ E.g., Oregon. Oregon nevertheless permits their community partnerships (called County Commissions on Children and Families) to implement a few specific services (e.g., Great Start, which offers preventive services for families with children ages birth to six), even though the communities’ comprehensive plans themselves are supposed to guide the work of existing public agencies and service providers. Whether or not the County Commissions should implement services directly, or function solely as planning and coordinating bodies, has engendered significant confusion and contention since their inception. (Interviews with state and county officials, 1996 and 1997.)

⁵⁰ Iowa’s Decategorization Initiative uses this approach.

⁵¹ E.g., Georgia and Missouri. See n. 21.

⁵² Examples include Minnesota, Ohio, and Oregon. Georgia’s Family Connection secured outside foundation funding for these purposes at first, which the legislature later supplemented and eventually replaced.

existing models from literature and from other states, as well as working jointly with community partnerships to pilot and refine new strategies specially suited to local conditions.⁵³

Negotiation between the state and the community partnerships: A few states encourage the community partnerships to develop and implement their service strategies independently from the state, as long as they achieve the outcomes the state has designated.⁵⁴ This approach threatens to leave the community partnerships' activities without a clear structure, and may limit opportunities for cross-site learning, or engender other debilitating effects of local isolation.

Other states envision a more substantive role for the state collaborative in working with the community partnerships. In order to work together, the state and the communities need a process for specifying and carrying out their responsibilities, as well as for revising their commitments and responsibilities when appropriate.

Some states have used a request for proposals (RFP) process to guide the community partnerships in designing and implementing local service strategies.⁵⁵ In this approach, communities develop and submit comprehensive plans on their own, in response to parameters that the state specifies in advance in an RFP. The state reviews each plan, and approves it, suggests revisions, or rejects it.

Officials in other states maintain that the design and implementation of communities' comprehensive plans can be more effective if state and local partners review and revise the plans together, and then jointly marshal resources (e.g., funding, staff, waivers) for implementation. Holding formal meetings between the state collaborative and the community partnerships to discuss the communities' comprehensive plans has been difficult in some states, however, as both parties are still accustomed to top-down processes such as state mandates or RFPs.⁵⁶

To address this difficulty, a few states have begun to specify a process for state-local collaboration, in the form of a protocol for negotiation between the state collaborative and the community partnerships.⁵⁷ Using the protocol, the state collaborative will meet with the community partnerships directly to discuss the specific responsibilities, consequences, and risks

⁵³ Georgia has developed an effective approach to the latter. See n. 9.

⁵⁴ The state's role in this case is that of an "outside monitor." See C. Bruner, *Legislating Devolution*, Draft Occasional Paper #21 (Des Moines, IA: Child and Family Policy Center, April 1996). This "hands-off" approach characterizes a number of brand new attempts at state-initiated, community-driven planning for human services in states such as Arkansas and Maine. (Interviews with state officials, 1997.)

⁵⁵ Examples include Minnesota's Family Service Collaboratives and West Virginia's Family Resource Networks.

⁵⁶ In some instances, members of the state collaborative have expected the community partnerships to request funding or waivers for new services, while the community partnerships have waited for the state collaborative to suggest approaches to them. This mismatch in expectations stems from long-standing patterns of doing business, and from a game of "chicken:" local actors worry that the state will not live up to its promise to support their proposals, but instead will punish them for, in effect, criticizing the state's existing operations. The state, however, cannot proceed without community initiative, since the basis of the new system is bottom-up planning. Interviews with officials in Georgia (1995) and Missouri (1996).

⁵⁷ States currently developing protocols for state-local negotiations include Maryland and Vermont.

the community partnerships will assume in their new roles as formal governance bodies.⁵⁸ The protocol is designed to help both parties work “to understand each other’s underlying interests, jointly develop criteria for an acceptable agreement, jointly generate options, and together, build an agreement.”⁵⁹ By specifying mutual expectations and behavior guidelines, such an explicit framework for negotiation can enable state and community actors who are not used to working as partners to do so more easily. Once established, the framework can provide a structure for regular meetings in which the state collaborative and each community partnership discuss the strengths and weaknesses of the design and the implementation of the community’s comprehensive plan, and revise the details of their partnership agreement accordingly.

6. Iterative Revision, the Master Tool. The ways the various collaboratives work with one another in a system of collaborative adjustment (budgeting based on comprehensive local plans, evaluation using outcome measures, regularly renegotiating responsibilities) lend themselves to cyclical operations. Communities submit their comprehensive plans annually, and once states begin budgeting by outcomes they can do so when they review the community plans. The community partnerships and the state collaborative could also use these regular meetings to assess their recent accomplishments and to brainstorm about future plans. The following paragraphs propose a systematic way to capitalize on this cycle to improve the effectiveness of the policy tools of collaborative adjustment continuously.

Every year, when each community partnership submits its comprehensive plan, it could meet and negotiate with the state collaborative. The agenda could begin with a review of recent successes and failures, as measured by the outcomes the community partnership has achieved. The two parties could then review and approve a new comprehensive plan developed by the community partnership -- including new outcomes to be achieved, revised service strategies, and a redistribution of responsibilities -- based on the extent to which each has successfully met the terms of their previous partnership agreement. Local actors would be free to craft service strategies and delivery approaches that best suit their own needs and capacities, as long as they agree to track data indicating how well children and families are faring in their communities, and to meet regularly with the state collaborative to assess their progress and revisit their strategies and responsibilities.

By repeating these negotiations annually, the state collaborative and each community partnership could regularly adjust the distribution of responsibilities and authority between themselves according to the community’s proven capacity to improve outcomes for children and families. The state collaborative’s oversight role would enable it to check inadequate, excessive, or otherwise errant local practices (e.g., violations of civil rights or due process guarantees). By consistently tracking and comparing different communities’ indicator data and service strategies, moreover, the state could conduct quasi-experimental evaluations to identify the most effective

⁵⁸ See the Center for the Study of Social Policy, *Trading Outcome Accountability for Fund Flexibility*, pp. 5-18.

⁵⁹ “Rather than mandates from the state or leaving communities to struggle on their own, this effort is based upon a clear desire to develop a mutually acceptable framework, supported by an effective working relationship, to....reform the human service system.” W. Potapchuk, *Managing the State-Local Negotiations on “Vision to Scale” in the State of Maryland* (Baltimore, MD: Governor’s Office of Children, Youth, and Families, March 1997), pp. 1, 4.

strategies in particular kinds of communities.⁶⁰ The state could then provide planning and management assistance -- or coordinate resources and mentoring from neighboring sites -- for communities whose comprehensive plans consistently performed poorly as measured by indicator data.⁶¹ The extent of guidance and oversight the state collaborative provides could thus vary by community, depending on each one's track record in assisting children and families.⁶²

The state collaborative and the community partnerships could specify in their "partnership agreements" what the consequences are if either one of them fails to keep its commitments. The annual occasions for periodic review would enable either the state or the community to take concrete steps to improve a troubled relationship, or to opt out of the agreement if necessary.⁶³

Annual repetition of the sequence of community planning, state budgeting, and the negotiation of state and local responsibilities could ultimately form the basis for an iterative cycle of learning about past accomplishments and joint strategizing about how to achieve future improvements.⁶⁴ State and local stake holders would have regular, structured opportunities to assess and revise the particular interventions being used to serve children and families, as well as their responsibilities for designing and managing implementation. This type of cycle would engage key human services actors in an ongoing joint discussion about policy goals and means -- about what they are trying to achieve and how they will achieve it. Such a discussion could help focus the attention of the actors involved on how to achieve measurable improvements in the lives of children and families, giving collaborative adjustment the potential to adapt and improve the effectiveness of human services continuously.

Most states have yet to establish such periodic discussions between the state collaborative and the community partnerships, however, for two reasons. First, most community partnerships have only just begun to implement comprehensive plans and measure their results they achieve. Second, most state collaboratives and community partnerships are still unaccustomed to working together as partners.⁶⁵

A few local collaboratives have nevertheless used indicator data to inform the redesign of their service strategies. By scrutinizing the outcomes that past service strategies produce, collaborators have identified areas in which new approaches are needed. The Chatham-Savannah

⁶⁰ On the potential for improving system performance through quasi-experimental comparisons among comparable geographic regions, see Sabel, "A Measure of Federalism."

⁶¹ Several of my interviews suggest that state reformers are currently puzzling over how to operationalize such an approach. Interviews with state officials in Georgia and Missouri (1996).

⁶² For ideas about how to design a framework for state-local technical assistance that varies according to local needs and priorities, see Maryland Systems Reform Transition Team, *Building the Capacity of Localities in Maryland for Systems Reform: Technical Assistance for LMBs, Local Governments, and Other Local Stakeholders*, Draft #3, July 1997.

⁶³ See Center for the Study of Social Policy, *Trading Outcomes Accountability for Fund Flexibility*, pp. 17-18.

⁶⁴ This idea draws on Sabel, "Learning by Monitoring." On the concept of a human services learning organization, see S. Gardner, "Afterword," in L. Adler and S. Gardner (eds.), *The Politics of Linking Schools and Social Services* (Washington: Falmer Press, 1994).

⁶⁵ Interviews with state officials in Georgia (1996) and Missouri (1997). The game of "chicken" between state and local collaborators illustrates this problem nicely (see n. 56).

(Georgia) Youth Futures Authority, for example, was formed to improve the lives and school performance of at-risk youth and young adolescents. After several years of work, collaborators recognized that some of the bad outcomes they sought to prevent for junior high and high school students could only be addressed by intervening when the children were younger. The Authority therefore added new service strategies focused on improving early childhood development and elementary education. Another local example of iterative learning from outcomes achieved comes from Ware County, Georgia. The Family Connection Collaborative there initially created a one-stop service center for youth (DAISY), to provide a range of services and supports, including efforts to prevent teen pregnancy. Despite some success in reducing the rates of teen pregnancy, collaborators recognized that they still needed to assist those teens that became pregnant and had children anyway. In response, they developed a new network of service provision for pregnant women and infants (DAFFODIL).⁶⁶

These examples represent one-time uses of indicator data to re-focus service strategies and collaborative efforts. They suggest the possibility that these communities, and eventually entire states, may begin using more structured, consistent approaches to learning iteratively from the outcomes they have achieved. At least some state and local practitioners intend to continue moving in this direction.⁶⁷

III. Synergy Among The Policy Tools: Possibilities for Improving Performance

Used in combination, the six policy tools of collaborative adjustment could help improve human services performance in four ways:

1. Desired outcomes for children and families -- rather than categories of need, programs, and funding -- would guide community planning of services and state funding for implementation.
2. To achieve those outcomes, a range of responsive services would be available to families across agency lines, through service delivery strategies that customize packages of services and supports in response to the particular strengths and needs of individual families.
3. Interagency collaboratives at the neighborhood and county levels would design and implement these service strategies. State-level interagency collaboration would support the customization of services by adjusting management practices and policies in response to local conditions, as presented in comprehensive community plans.
4. Desired outcomes for children and families would also serve as the basis for evaluating local plans and implementation. State and county collaborators would meet regularly to examine the outcomes they have achieved, and revise local service strategies as well as the distribution of state and local responsibilities. As a result, state support and oversight of local efforts would be customized to the capacity and limitations of each county collaborative, just as the service strategies themselves would be customized to the strengths and needs of individual families.

⁶⁶ Interviews with staff of the Youth Futures Authority and the Ware County Children's Initiative (1996).

⁶⁷ Interviews with Georgia officials (1996); Philliber Research Associates, *Using Benchmarks to Chart the Progress*.

In this portrait of collaborative adjustment, local actors direct key aspects of the policy making process -- including the design, funding, and delivery of services -- to achieve specific improvements in outcomes for children and families. At the same time, they do not work in isolation. They receive hands-on assistance and oversight from the state collaborative to help them learn from one another and from other states about best practices, and to hold them accountable for achieving specific results. The measurement and comparison of the results that different communities achieve, along with the broad base of stakeholders and lay participants involved in local decision making, can create pressures and foster new ideas to improve performance.

As with any system of human services, the success of collaborative adjustment depends on its implementation, which is by no means assured. The changes in work habits and organizational cultures that the new fiscal arrangements, service strategies, and daily work of collaboration entail are unfamiliar at best, and threatening to many. The line staff of most state agencies, for example, are not involved yet in most of the new system's operations. Collaborative adjustment can only move beyond being an idea and a set of emerging practices, and become a new way of making human services policies, if line staff commit to it, or if state-level proponents can find alternative local partners with whom to collaborate.

Three effects of the new system nevertheless may counteract these obstacles to successful implementation. Two are "disciplining" effects built into the system's design: planning and evaluating by outcomes, and iteratively assessing and revising service strategies and actors' responsibilities. The third may result from the process of implementation: the joint, pragmatic efforts of committed practitioners may become self-reinforcing over time.

Disciplining Effects: Outcomes provide a focal point on which all actors can (most likely) agree. Prioritizing outcomes when funding is scarce, or deciding how best to achieve them, may provoke disagreement, but collaborators are still likely to be able to agree on what generic results they want to achieve for children and families. As shared goals, outcomes can inspire actors to re-start negotiations or collaborative processes that have faltered or run into difficulty. The very process of identifying shared goals, moreover, may begin to turn distant bureaucratic enemies into collaborative partners, by creating a joint interest and willingness to work together on other tasks (e.g., to design service strategies, negotiate responsibilities, or allocate funding). As evaluation measures, indicators provide a relatively objective means of assessing progress. Collaborators may disagree in interpreting and reacting to their accomplishments, but they at least have common reference points that measure their achievements.

The goal of improving outcomes can also foster local cooperation instead of obstructionism: since the state is monitoring whether they achieve specific results, actors may choose to collaborate to try to succeed, if the alternative is to fail separately. In this context, pragmatic attempts to work together may have an advantage over finger pointing, blame shifting, and other destructive behavior.

The iterative master tool of collaborative adjustment forces state and local collaborators to convene periodically to discuss what they have done and where they want to go. Such discussions offer opportunities for flexibility in re-designing services and in re-allocating responsibilities for planning, funding, delivering, and evaluating them. This flexibility, in turn, gives collaborative adjustment the potential to adapt -- both to the successes and failures of particular service strategies in communities, and to limits or break downs in the capacity of individual community partnerships or state agencies to carry out the responsibilities to which they have agreed.

The possibility of adaptation over time in response to diverging developments in different localities sets collaborative adjustment in stark contrast to the existing system of human services, in which legislation and administrative rules centrally designate categories of human need and services to address them. Under these circumstances, if adaptation occurs at all, it must happen via a one-size-fits-all re-designation that may not accommodate differences in the situations of individual families or the capacities of local service providers. A key virtue of the existing centralized system, however, is its uniform standards for service delivery and procedural guarantees for recipients. Collaborative adjustment's monitoring and evaluation approach nevertheless permits the state to promote equitable treatment for individual children and families, while also recognizing local differences and fostering systemic adaptation.

Self-Reinforcing Effects: The processes of implementing the policy tools of collaborative adjustment may, over time, reinforce collaborators' willingness to work together. The experience of working together to craft local plans and negotiate agreements about outcomes and budgets may gradually improve actors' familiarity and comfort level with one another and with the collaborative process in general. Collaborators who achieve some success, moreover -- whether by submitting a well-crafted comprehensive community plan, or actually improving outcomes for children and families -- may develop a camaraderie that helps them continue collaborating during hard times. The final appeal of the tools of collaborative adjustment is personal: Working creatively with others to improve outcomes for particular children and families seems inherently more pleasant and interesting than working separately to implement a program that distant policy makers have designed to address generic human needs.

IV. Concerns About the Systemic Vision

The systemic reform initiatives in the most advanced states confront a number of political and operational obstacles to expanding and institutionalizing the policy tools described above. Subsequent chapters discuss these dilemmas in more detail. Even the idealistic vision sketched here, however, faces challenges from sympathetic critics.

Foremost among these challenges is that many proponents of systemic reform tend to neglect or down play issues of race and racism in favor of more "technical" questions of system design and implementation.⁶⁸ Many of the leading reform proponents in state governments and national

⁶⁸ Myself included.

policy circles are white, yet a disproportionate percentage of the children served by public human services systems (reformed or traditional) come from families of color. Racial and ethnic differences create challenges on at least two dimensions for systemic reform initiatives. Service providers and delivery practices need to acknowledge and respect differences in cultures' approaches to child rearing, even while they seek to help the children and families in different cultures thrive amidst the challenging circumstances of poverty in the U.S. Human services governance institutions and policies must address not only these operational issues, but also the inflammatory efforts of some politicians and interest groups to use racial and cultural differences as political levers to vilify families who need special assistance as "different" from the rest of society. State and local collaboratives, as well as other proponents of systemic reform, therefore need to pay more attention to racial and ethnic diversity, both in their own make-up and in conceptualizing and addressing questions of system design and operations in the field.⁶⁹

Other concerns focus on the types of services and participants that the new system should include. Some reformers, for example, have argued that "primary neighborhood services" (child care, libraries, parks, etc.) are as critical to preventing bad outcomes for families as so-called preventive services, such as health screenings and parent education programs. They contend that the systemic reform movement has not done enough to connect itself with the providers and administrators of these primary neighborhood services and integrate them into the state and local collaboratives.⁷⁰

Some service providers and middle managers, in contrast, question the need to change service delivery practices, much less larger systems. They argue instead that they simply need more money and smaller case loads in order to serve families effectively using traditional service techniques and administrative practices.⁷¹

Some hard-headed realists in the field question the viability of involving neighborhood residents and business representatives in the local collaboratives. They contend that these lay citizens are only likely to engage in activities that directly affect their own well-being, such as anti-drug marches in drug-ridden neighborhoods. In their view, interagency efforts among service providers may be the extent of the collaborative energies available for reforming human services systems, because ordinary citizens lack time and interest to help to plan and oversee services for families who face severe difficulties.⁷² Others retort that broad community involvement in human services delivery and governance is essential to improve the effectiveness of services. In their view, service providers and agency representatives by themselves have too much of a proprietary interest in sustaining their own practices and funding to scrutinize service designs

⁶⁹ See, for example, H. Chang, *Community Building and Diversity: Principles for Action* (San Francisco: California Tomorrow, 1997); O. Johnson, "Commentary," in C. Bruner, *Realizing a Vision for Children, Families, and Neighborhoods: An Alternative to Other Modest Proposals*, (Des Moines, IA: National Center for Service Integration, 1996), pp. 59-60.

⁷⁰ See J. Wynn, J. Costello, R. Halpern, and H. Richman, *Children, Families, and Communities: A New Vision for Social Services* (Chicago: Chapin Hall Center for Children, University of Chicago, 1994).

⁷¹ See the discussion in G. Thomas, "Travels in the Trench between Child Welfare Theory and Practice," *Child and Youth Services* 17(1-2), 1994 (The Haworth Press, Inc.).

⁷² Interview with staff of a national foundation (1998).

and funding allocations with enough of a critical eye to force real improvements.⁷³ A corollary is that a grassroots movement is essential, but sorely lacking, to support the emerging vision of the new human services system, and that without political organizing the more technical design efforts of systemic reformers may go in vain.⁷⁴

None of these disputations represents an outright threat to the coherence and viability of the vision of a new system of collaborative adjustment for human services. (The only exception might be the call for more pay and smaller case loads, but it comes off as self-interested, and appears discredited by past reforms that have had only a limited impact on the well-being of families facing the most severe difficulties.⁷⁵) Instead, these concerns constitute difficult challenges that proponents of systemic reform must address as they continue to refine and promote their ideas.

V. Conclusion: Building and Institutionalizing System Capacity and Popularity

The policy tools of collaborative adjustment distinguish it from the existing system of human services in the U.S. in fundamental ways. Under collaborative adjustment, state policy makers essentially grant local actors more authority over state resources in exchange for a promise to measure and improve the results they achieve with their newfound flexibility. This chapter has offered promising examples, but documented only limited progress toward a fully operational system of collaborative adjustment. States, it seems, are adopting the policy tools of collaborative adjustment piecemeal, and even the foremost pioneers still face the daunting prospect of going to scale and institutionalizing them.

Aggregating and combining the different policy tools into an operational system is particularly difficult for two reasons. Politically, the new tools are unfamiliar and potentially threatening to many actors in the existing system of human services. Logistically, the piecemeal development of each tool has proceeded independently from that of the others, yet their effective operations are largely predicated on one another, as the preceding section on synergy suggested.⁷⁶

These developmental challenges notwithstanding, the political survival of the new system ultimately depends on its “going to scale” state wide -- committing core human services funding to support the service strategies designed by the new community partnerships. If, in contrast, the community partnerships’ efforts continue to be viewed as mere special projects in a few sites,

⁷³ See C. Bruner and M. Chavez, *Getting to the Grassroots: Neighborhood Organizing and Mobilization*, Community Collaboration Guidebook Series (Des Moines, IA: National Center for Service Integration, n.d.); Center for the Study of Social Policy, *Creating a Community Agenda: How Governance Partnerships Can Improve Results for Children, Youth, and Families*, (Washington: Author, 1998); Interview with Phyllis Brunson, Center for the Study of Social Policy (1998).

⁷⁴ See, for example, Bruner, *Realizing a Vision*, pp. 43-45.

⁷⁵ For a scathing critique of calls for smaller case loads and more funding, see Thomas, “Travels in the Trench.” For details on the limited impact of such conventional reforms, see Chapter 4 (“A History of Human Services Reforms in the United States: 1960 - Present”) below.

⁷⁶ Thanks to Steve Preister for emphasizing this point to me.

and lack the clout to command mainstream state human services funding, the new system will not succeed.⁷⁷

Which policy tools a state adopts, and in what order, affect the likely success of its reform efforts, as the above discussions of advantages and drawbacks indicate. While there may be no one best path to collaborative adjustment, the approaches and timing with which a state puts various tools in place influence the possibilities for successfully adopting additional ones in the future. The experience of Iowa's Innovation Zones, for example, may differ from that of the block grants that Ohio has made to its County Family and Children First Councils. Iowa is attempting to extend the responsibilities of "enclave" local collaboratives that are responsible for a small set of core human services funds. Ohio is seeking to build on the efforts of collaborative county Councils that have been operating comprehensive service programs parallel to the existing main stream human services system. Both approaches to building local capacity are viable, but the two are worth comparing to see if early choices about system design have path dependent effects on later efforts to expand systemic change.

Regardless of the sequence of the change process, this chapter suggests that the policy tools of collaborative adjustment that are emerging from it may be able to structure human services policy discussions and implementation in productive ways. In addition, the process of implementing those tools may increase stake holders' support for the new system, and enhance the political popularity of the human services more broadly, through citizen participation in efforts to improve policy performance. A system of collaborative adjustment, in consequence, might offer human services that are more effective and politically popular than they are under the existing system.

Before these extrapolations from emerging events get ahead of insights available from the recent past and turbulent present, however, the succeeding chapters recount and analyze the systemic reform initiatives that have informed the vision sketched here. The story begins with the History Chapter, which examines the political and intellectual legacies of bureaucratic reform and the War on Poverty, and the consequent search for new solutions by creative human services practitioners.

⁷⁷ As the case studies in later chapters indicate, this is the risk that both the Commissions on Children and Families and DHR's local services integration sites currently run in Oregon; it is also the critical weakness of the Family Service Collaboratives in Minnesota. The only state reform that has truly become part of the main stream human services system thus far is Iowa's Decategorization Initiative. Georgia and Missouri's reforms fall somewhere in between, as the influence of the local sites on the operations of the existing system remains fairly limited. An observer of Maryland's Systems Reform Initiative captures the problem perfectly, "The principle limitation of ... local program innovations is that they may not necessarily affect operations within the existing service delivery system. It's not clear that the family service centers and family preservation programs in Maryland have had any effect on the state's child welfare agency. This is an important limitation because the majority of children and families continue to be served by the existing service delivery system." J. Waldfogel, "The New Wave of Service Integration," *Social Service Review*, September 1997, p. 479.

Chapter 4: Human Services Reforms in the United States: 1960 - Present

The policy tools of collaborative adjustment described in the previous chapter appear to reflect recent fads in organizational design originally propagated by business management consultants. A focus on customers (in this case, service recipients), accountability for results, and the features of a learning organization are all ideas that have become increasingly popular and proven effective in many private firms in the U.S. over the last two decades.¹ More recently, some of them have found their way into public sector reforms as well, as the spread of the “reinventing government” movement attests.² At first glance, then, experiments with similar ideas in the human services seem to reflect the diffusion of a policy innovation -- the borrowing and transferring of ideas from one sector or region to another, or what has more recently been characterized as “lesson drawing.”³

The ideas informing the policy tools of collaborative adjustment have developed through a more complicated and insular process than diffusion or lesson-drawing, however. The history of human services reforms outlined here suggests that current systemic reforms represent a recent counter-reaction to the limits of the old system of bureaucratic public administration reinforced by legal advocacy, which emerged in the 1960s. Instead of borrowing from corporate restructuring efforts and management consultants, today’s human services reformers pursued a bootstrapping process of self reflection.⁴ They scrutinized the workings of front-line service delivery, devised new principles of best practice, and gradually explored how the human services system might be retooled to support the use of those principles in actual practice.

I. Introduction

This chapter sets the back drop for these emerging systemic human services reforms, and then tells the story of their emergence and evolution. It offers a stylized history of two reform movements that have emerged in the human services field over the course of the last half century. The first of these movements emerged in the 1960s, inspired by the ideas of legal rights and class-based entitlements to public benefits. It sought to rationalize the administration and implementation of social programs, to guarantee programmatic benefits to all eligible clients.

¹ See, for example, P. Senge, *The Fifth Discipline: The Art and Practice of the Learning Organization* (New York: Doubleday, 1990); T. Peters and R. Waterman, *In Search of Excellence: Lessons from America’s Best-Run Companies* (New York: Warner, 1982); C. Sabel, “Learning by Monitoring,” in N. Smelser and R. Swedberg (eds.), *The Handbook of Economic Sociology* (Princeton: Princeton University Press, 1994).

² See D. Osborne and T. Gaebler, *Reinventing Government* (Reading, MA: Addison-Wesley, 1992); M. Barzelay, *Breaking Through Bureaucracy* (Berkeley, CA: University of California Press, 1992).

³ On the diffusion of policy innovations in the American states, see J. Walker, “The Diffusion of Innovations among the American States,” *American Political Science Review* 63 (1969); V. Gray, “Innovation in the States: A Diffusion Study,” *American Political Science Review* 67 (December 1973). On lesson drawing, see R. Rose, *Lesson-Drawing in Public Policy: A Guide to Learning Across Time and Space* (Chatham, NJ: Chatham House Publishers, 1993).

⁴ This conclusion relies on numerous interviews with proponents of systemic human services reform, in which I have repeatedly inquired what outside ideas or models their efforts have drawn on, and been met with blank stares, non-sequiturs, or long excursions into the history of the human services system. If they’re pulling the wool over my eyes, they’ve done a thorough and coordinated job worthy of a conspiracy.

The second is the current movement toward a system of collaborative adjustment, which has recently begun to bear fruit in the form of the state and local developments highlighted in the previous chapter. The two reform movements began with the same general motivation -- to improve upon the received system of administration -- but the solutions they promoted differed, as did their strategies for encouraging the adoption of their solutions.

The legal and programmatic reforms of the 1960s addressed the excesses and poor performance of the preceding system. They were a response to the political control and administrative informality of the patronage-oriented, exclusionary system of public administration managed by the state and local political machines in the first half of the twentieth century. They sought to empower clients and improve the availability of services and benefits. Today's reformers are responding in turn to the weaknesses of the system that emerged from the reforms of the 1960s: overly bureaucratic procedures, impersonality and inflexibility, and failure to improve the lives of many disadvantaged children and families.

The change strategies of the two reform movements differed quite considerably, however. The legal and programmatic reforms of the 1960s utilized a recipe approach to change, seeking to establish, in effect, "one best system" for human services (to borrow a phrase from education reformers).⁵ They sought to establish a uniform system of bureaucratic public administration in state after state, locality after locality. This change strategy had a fundamental virtue: reformers knew what kind of solution they wanted, and their essential struggle was political -- winning over enough allies or taking advantage of crises so as to codify the new system in legislation and administrative rules. The system that resulted, however, was a static set of arrangements imposed from the top-down, and it gradually became more and more ossified and unable to address the increasingly complex needs of the children and families it was intended to serve.

The proponents of systemic reform today are not nearly as organized as the agents of legal and programmatic change. Rather than developing a blueprint for a single system that could be replicated the same way everywhere, they merely identified principles of best practice, and suggested vague ideas about how to operationalize the principles on the ground. They allowed -- even encouraged -- different states and communities to experiment with their own approaches to designing and implementing those principles. In response to the hands-on experiences that various pioneering states and communities had with their principles of best practice, the intellectual proponents of systemic reform worked directly with practitioners to elaborate further their ideas about how to operationalize the principles in practice.

This meta-principle of revision through experimentation has the potential to become the master tool of the emerging system of public administration for human services, as the previous chapter suggested. In contrast to a bureaucratic system based on legal rights and separate, categorical programs, a system that incorporates such an approach has the potential to foster learning and adaptation, both across time and in response to variations in local conditions. This adaptive capacity represents the most fundamental distinction between the emerging system of collaborative adjustment and the categorical system that the reforms of the 1960s produced.

⁵ D. Tyack, *The One Best System: A History of American Urban Education* (Cambridge, MA: Harvard University Press, 1974); M. Katz, *Reconstructing American Education* (Cambridge, MA: Harvard University Press, 1987).

The story unfolds in four parts. The first section summarizes the operating principles of the New Deal system of human services. The second section briefly describes the legal and programmatic changes in this system that occurred in the 1960s and 1970s, as well as the bureaucratic inflexibility that resulted. The third section reviews three types of administrative changes undertaken at the margins of the system: the War on Poverty and Model Cities Programs, services integration projects undertaken by the federal government in the 1970s, and state contracting for service delivery. These initiatives sought to reform aspects of the bureaucratic system, but failed to change its fundamental operating design. The fourth section recounts in detail the development during the 1980s and 1990s of the ideas that form the basis for the emerging policy of collaborative adjustment for human services. The conclusion of the chapter then identifies similarities and differences between this more recent reform initiative and its predecessor, and summarizes what they suggest for our understanding of policy learning.

II. The Contours and Evolution of the New Deal System of Social Welfare Policy

The outlines of the existing human services system in the U.S. originated in the New Deal, with the enactment of the Social Security Act in 1935 (though the programmatic body of this system would emerge only in the 1960s, with the advent of the War on Poverty and the Great Society). The Social Security Act created the Aid to Dependent Children (ADC) program, now named Temporary Assistance to Needy Families (TANF) and commonly referred to as “welfare.” In addition, it authorized cash support for the aged and the blind, and gave grants to the states to offer maternal and child health services, child welfare services, vocational rehabilitation, and public health services.⁶

The system of public administration created by the Social Security Act offers benefits in the form of categorical entitlements to individuals. Discrete categories of need dictate the delivery and receipt of discrete human services and transfer payments. Federal laws and administrative rules delineate specific criteria for needs (e.g., children without fathers) and benefits to address them (e.g., specific cash grant levels or particular clinical interventions). Anyone whose condition meets one or more of the criteria is entitled to receive the corresponding benefit(s). Within the parameters that federal laws specify, the states are free to administer each program at their own levels of generosity.

For the first 30 years of the system’s operations, up until the mid-1960s, the discretionary decisions of state and local administrators heavily influenced the benefits and even the access that potential clients enjoyed from this system. Federal agencies distributed funds for the various social programs to the states according to broad formulas, and rarely rejected states’ plans for providing services and benefits to clients.⁷ Service providers, in turn, had considerable leeway to make interpretative judgments about clients’ needs and about whether or not those needs corresponded to the basic eligibility criteria of the program they were responsible for delivering.⁸

⁶ S.L. Kagan with P. Neville, *Integrating Services for Children and Families: Understanding the Past to Shape the Future* (New Haven, CT: Yale University Press, 1993), p. 11.

⁷ Kagan with Neville, *Integrating Services for Children and Families*, p. 13.

⁸ W. Simon, “Legality, Bureaucracy, and Class in the Welfare System,” *Yale Law Journal* 92(7), 1983, pp. 1203-4.

Under these arrangements, the provision of social services took a variety of overlapping forms at the front lines. Front-line workers in welfare agencies functioned as case managers and informal advisors to many of the clients who were actually enrolled in AFDC.⁹ Social workers in neighborhood-based settlement houses funded by private charities offered a variety of services and supports to poor families in some parts of large cities, such as Chicago and New York.¹⁰ While police departments were firmly under the control of local politicians, officers on the street performed a number of informal functions that helped keep social order, such as disciplining young people for harmful but non-criminal behavior.¹¹ The ward heelers of urban political machines made sure that poor families received token benefits at critical times, such as election season and holidays. For those citizens and beneficiaries who were not passed over or treated with discrimination under this system, the discretion that these street-level workers exerted and the services they offered functioned as part of variegated networks of community-based social support.

Partly as a result of federal and state regulations, and partly as a result of local political control and personal biases, however, service provision in many parts of the country discriminated against people of color and would-be clients with immoral backgrounds -- often quite blatantly. AFDC regulations, for example, required service providers to deny benefits to families living in "unsuitable homes" and to any unmarried mother with a man in the house. County governments in some rural parts of the south simply did not offer any social services or benefits, other than AFDC grants and food stamps, until as late as the 1980s, despite the availability of federal funding.¹²

While some service providers were professionals or quasi-professionals (e.g., social workers), many state and local public agencies of the time were controlled by state and local political parties. Rather than staffing these agencies with professionals, the parties used them as sources of patronage and largesse, to dispense jobs and benefits to party supporters.¹³ Local residents and would-be clients who did not support the party, or whom the party deemed politically unnecessary (most often, people of color), were passed over in the process. Some agencies that the parties controlled, such as local police departments, suffered from outright corruption. In others, the administrative informality and discretion that dominated operations enabled front-line workers to treat would-be clients -- again, frequently people of color -- extremely harshly if they chose, denying them services or aggressively harassing them. The opportunities for discretion built both graft and discrimination into this informal system, which increasingly provoked calls for reform from both the proponents of professional public administration and civil rights advocates.

⁹ Simon, "Legality, Bureaucracy, and Class in the Welfare System."

¹⁰ See, among others, B. Weissbourd, "A Brief History of Family Support Programs," in S.L. Kagan, D. Powell, B. Weissbourd, and E. Zigler (eds.), *America's Family Support Programs* (New Haven, CT: Yale University Press, 1987).

¹¹ D. Livingston, "Police Discretion and the Quality of Life in Public Places: Courts, Communities, and the New Policing," *Columbia Law Review* 97(3), 1997, pp. 551-672.

¹² For an example, see C. Stack, *Call to Home* (New York: Basic Books, 1996).

¹³ See, among others, S. Erie, *Rainbow's End: Irish-Americans and the Dilemmas of Urban Machine Politics, 1840-1985* (Berkeley, CA: University of California Press, 1988); W. Banfield and J.Q. Wilson, *City Politics* (New York: Random House, Vintage Books, 1963).

III. Bureaucratization and Cooperative Federalism

A. Legal and Organizational Changes

After World War II, the proponents of formality in public administration, preaching the separation of administration from politics and the virtues of bureaucratic rationality, finally had a telling impact on more and more state and local governments around the country. The basic aims of these reformers were to make the operations of public administrative systems automatic - almost machine-like -- in keeping with the formal ideal of bureaucracy.¹⁴ In place of a system of administration and service delivery characterized by informality and discretion, they sought to establish autonomous, apolitical, hierarchical organizations that would respond uniformly to laws and regulations.¹⁵

The movement toward formal public administration began in the late nineteenth century and began to make inroads into federal agencies and state and municipal administration in the early twentieth century.¹⁶ The political influence of the party machines, and the administrative informality that accompanied it, nevertheless remained in force in many parts of the country until after World War II. Different sectors of public administration adopted the formal tenets of bureaucratic reform at different times in different states and cities, depending on how political struggles over administrative reform played out.¹⁷ Even after the formal adoption of the principles of rational administration, moreover, elements of informality remained embedded within the operations of the reformed system.¹⁸

The welfare and human services agencies in many states took even longer than most other public agencies to adopt the formal bureaucratic model. Reforms eventually reached human services administration as a result of the legal rights agenda spawned by the civil rights movement. Building on the legislative successes of the Voting Rights Act and the creation of a host of federal anti-poverty programs, advocates for the poor turned to the administrative realm in the late 1960s. In addition to encouraging enrollment and promoting increases in benefit levels, groups such as the National Welfare Rights Organization, Legal Services offices, and state child advocacy organizations sought to reform and enforce the uniform application of federal regulations and program standards. The basic aims were to make more benefits and services

¹⁴ Perhaps the most famous elaboration of the bureaucratic ideal is M. Weber, "Bureaucracy," in H.H. Gerth and C.W. Mills (translators), *From Max Weber: Essays in Sociology* (New York: Oxford University Press, 1962). For an ideal portrait of a welfare bureaucracy, which would "minimize delay and waste, ...maximize services to real clients, eliminate service to the ineligible, and minimize errors and irresponsible behavior toward needy clients," see T. Lowi, *The End of Liberalism*, Second Edition (New York: W.W. Norton, 1979), p. 204.

¹⁵ W. Wilson, "The Study of Administration," *Political Science Quarterly* LVI(4), December 1941 [June 1887].

¹⁶ On the federal government, see S. Skowronek, *Building a New American State* (Cambridge: Cambridge University Press, 1982). On municipal government, see M. Schiesl, *The Politics of Efficiency: Municipal Administration and Reform in America: 1900 - 1920* (Berkeley, CA: University of California Press, 1977).

¹⁷ In Chicago, for example, the school system became a centralized bureaucracy in the late 1940s, but it took another ten years for the police department to do so. See A. Fung, "Street-Level Democracy: Social Experimentation in Theory and Urban Practice," unpublished Ph.D. dissertation, Massachusetts Institute of Technology, Department of Political Science, 1998.

¹⁸ Skowronek, *Building a New American State*.

available to the poor, and to eliminate or reduce the local political influence and administrative informality that had long governed the delivery of public benefits and services.

Many thorny legal battles later, the end result was a tremendous increase in access to benefits, and, in many cases, in benefit levels themselves. AFDC enrollment, for example, expanded dramatically in the late 1960s and early 1970s, as advocacy enabled -- and word on the street encouraged -- more and more previously excluded families to seek and receive benefits. The staff of community-based organizations in poor neighborhoods that received funding from the new federal anti-poverty programs in the 1960s (see below), offered direct services to the poor beneficiaries of these new programs, and also helped them sign up for AFDC. Welfare rights lawyers achieved rulings in state and federal courts that struck down man-in-the-house rules and various other statutes, policies, and regulations that had prevented or discouraged people from applying for and receiving welfare.¹⁹ As a result, from 1960 to 1972, the AFDC rolls expanded from 745,000 families to three million families, and the payments they received increased from less than \$1 billion to \$6 billion.²⁰

In the wake of the successful expansion of AFDC, in the 1970s and 1980s advocates for children used similar legal strategies to expand availability and access to various kinds of human services for families facing disadvantages. In many parts of the country, they achieved court orders that required other public agencies, such as state or county child welfare, children's mental health, or juvenile corrections agencies, to increase staff salaries and reduce their case loads. Legislatures often had to provide additional funding, in turn, to support the requisite expansions in service.²¹

B. New Programs

Political mobilization by the poor and anti-poverty sentiment among political leaders also led to the creation of many new federal social programs in the 1960s. In addition to vast increases in access to, and the benefit levels of, the social programs that already existed, such as AFDC, the sheer number of social programs grew very rapidly as well during this time. Correspondingly, so did the public funding and administrative complexity associated with these programs.

Federal anti-poverty legislation inspired by President Johnson's Great Society initiative created most of the new programs. Many of them took the form of formula grants to the states, but some made grants directly to local governments or community-based agencies. Examples included the Juvenile Delinquency and Youth Offenses Control Act (1961); the Manpower Development and Training Act and the Social Security Amendments (1962); the Community Mental Health Act (1963); the Economic Opportunity Act (which created the War on Poverty) and food stamp legislation (1964); Medicare, Medicaid, the Elementary and Secondary Education Act, and Head Start legislation (1965); Model Cities legislation (1966); additional Social Security Amendments

¹⁹ "After 1965, in short, the poor were informed of their 'right' to welfare, encouraged to apply for it, and helped to obtain it." F.F. Piven and R. Cloward, *Poor People's Movements* (New York: Vintage, 1979), pp. 271-72.

²⁰ Piven and Cloward, *Poor People's Movements*, p. 264.

²¹ For examples, see the case studies of the legal campaigns by state child advocates in S. Dicker (ed.), *Stepping Stones: Successful Advocacy for Children* (New York: Foundation for Child Development, 1990). For a skeptic's view that these law suits, in the end, simply entrenched the professional power of administrators and service providers, see G. Thomas, "Travels in the Trench between Child Welfare Theory and Practice," *Child and Youth Services* 17(1-2), 1994 (The Haworth Press, Inc.).

(1967); and the Child Abuse Prevention and Treatment Act (1974).²² By 1971, 500 different federal categorical grant programs existed, spending close to \$30 billion.²³

The gigantic increase in the number of programs, coupled with the legal reforms of the administrative system, made new program benefits available to low-income families throughout the country. A number of people who had previously been un- or under-employed, especially African-Americans, found jobs administering and delivering the benefits that the new programs offered. While many of the programs never received enough funding to serve all who were eligible for them, the benefits they provide have made a dramatic difference in many families' lives and communities over the years.²⁴

C. The Result: Bureaucratic Proceduralism Amidst Increasing Social Complexity

At the same time, however, the legal and programmatic innovations that resulted from these expansions created new administrative problems. A number of dilemmas emerged over the next several decades.

Foremost, the new social programs did not share a consistent administrative structure, yet many of them sought to help the same poor families and individuals. Separate administrative provisions and organizational units proliferated rapidly at the federal, state, and local levels -- none of which had much of an incentive to communicate or coordinate their efforts with one another.²⁵ By the 1990s, a would-be human services recipient could potentially be eligible for a plethora of specialized federal, state, and local programs dedicated to addressing one specific category of human need or another.²⁶

The skyrocketing number of programs, administrative provisions, and organizational arrangements ultimately stretched the categorical New Deal policy making system beyond its operational capacity. Because of the complexities of implementation, any centralized human services system faces problems of accountability. Service providers need a significant amount of discretion to assess clients' needs and provide direct services. Front line discretion, in turn,

²² Kagan with Neville, *Integrating Services for Children and Families*, p. 14-15.

²³ E. Banfield, "Revenue Sharing in Theory and Practice," *Public Interest*, 23 (1971), 33-44, cited in S.L. Kagan and E. Pritchard, "Linking Services for Children and Families," in E. Zigler, S.L. Kagan, and N. Hall (eds.), *Children, Families, and Government: Preparing for the Twenty-First Century* (Cambridge: Cambridge University Press, 1996), p. 382.

²⁴ See, for example, R. Browning, D.R. Marshall, and D. Tabb, *Protest Is Not Enough: The Struggle of Blacks and Hispanics for Equality in Urban Politics* (Berkeley, CA: University of California Press, 1984).

²⁵ "[I]n the rush of legislation, little attention was paid to federal-state-local relations.... There was no master plan...., only a program philosophy." Kagan with Neville, *Integrating Services for Children and Families*, p. 15.

²⁶ For example, the Los Angeles Unified School District offered 238 separate programs for students who were defined categorically as being at-risk in one way or another. S. Gardner, *Reform Options for the Intergovernmental Funding System: Decategorization Policy Issues* (Washington: The Finance Project, n.d.), p. 4. In another recent example, a typical poor family in San Diego County was deemed eligible for 15 major federal and state programs. Each program had different eligibility requirements, and many required the family to work with different agencies. The applications for the programs totaled over 400 pages in combination, asked for the same information in different ways, and required the use of different verifying documents. M. Blank and E. Hoffman, "Services Integration in the United States: An Emerging Agenda," mimeo prepared for U.S. Departments of Education and Health and Human Services (Washington: Institute for Educational Leadership, October 1994), p. 16.

creates accountability problems for centrally designed policies, because legislators and administrators have difficulty ensuring that front line staff comply with their mandates. Their efforts to ensure compliance, coupled with the inherent challenges of providing services to people facing disadvantages, tend to produce “coping” responses by service providers at the front line. Examples include withholding services, taking shortcuts in delivering services, “creaming” clients who are easy to work with, and other work management approaches that skew provider’s efforts to meet clients’ needs.²⁷

By themselves, these changes might have been manageable if the human services system had remained fairly small. The Great Society programs and others that followed expanded its size dramatically, however. Many of the new programs, moreover, targeted the “hard cases” -- clients with multiple needs that make them hard to place into a single category of need and difficult to assist through the provision of discrete services, one at a time.²⁸

Complicating these operational dilemmas considerably were economic, demographic, and social changes that emerged during the 1970s and 1980s, which made the needs of many poor families more severe and harder to address. Poverty and self-sufficiency again became a nagging worry for some families, and remained a constant crisis for others, as the nation wide economic boom of the 1960s gave way to stagnation, punctuated by more sporadic and irregular growth. The purchasing power of average real wages declined, many high-paying industrial jobs were eliminated, and welfare benefit levels declined gradually but consistently relative to inflation, after peaking in the early 1970s.²⁹ Many families had fewer adults in the house to help raise children, as extended families broke apart, and the percentages of working mothers and of single parent families increased dramatically. Rates of homelessness, crime, violence, and substance abuse increased steadily as well. The spread of crack cocaine, for example, had particularly spectacular and tragic consequences for many individuals and families. The human needs that these changes created and exacerbated, while widespread, were especially concentrated and visible in particular neighborhoods, usually in the inner cities.

This increase in social complexity simply overwhelmed the administrative design and implementation capacity of the newly formalized, bureaucratic New Deal system.³⁰ For a categorical system to work effectively, policy makers must establish distinct categories of human need and prescribe benefits that address them efficiently, and service providers must be able to

²⁷ This paragraph draws heavily on M. Lipsky, *Street Level Bureaucracy* (New York: Russell Sage, 1980).

²⁸ Parents who are substance abusers, for example, will need treatment and counseling. Their children, meanwhile, will need child care, and may well benefit from child mental health services or child welfare services as well.

²⁹ On real wages and jobs, see W.J. Wilson, *The Truly Disadvantaged* (Chicago: University of Chicago Press, 1987). On welfare benefit levels, see Committee on Ways and Means, U.S. House of Representatives, *Overview of Entitlement Programs: 1994 Green Book* (Washington: U.S. Government Printing Office, July 15, 1994), pp. 374-78.

³⁰ This discussion glosses over two hotly contested and closely related questions about these developments. The first has to do with the causes of the severe social problems and human needs that emerged in the 1970s and 1980s, and revolves mainly around whether human behavior or broad economic dislocations bear chief responsibility. The second has to do with whether federal and state policies might have responded more constructively than they did, either with more resources for existing programs or with new types of policies altogether. Rather than attribute blame for the changes that emerged and how society addressed (or failed to address) them, I focus instead on the administrative dilemmas that resulted from them and the governmental responses (or lack thereof) that did in fact occur.

specify the category(s) into which an individual falls. Because they were created to address specific categories of human need, the new programs created in the 1960s and 1970s restricted eligibility to clients with certain characteristics, required that service providers have specific qualifications and serve particular numbers of clients, and included procedural protections for the rights of clients. Some of these provisions represented important attempts to protect vulnerable clients, but they also hindered service providers' ability to respond to the particular difficulties that individual clients faced.³¹ The new social programs sought to address increasingly complex human needs, and as many of those needs became ever more concentrated and severe, these administrative tasks became ever more difficult to carry out.

The tremendous expansion of public funding, and the administration and implementation of the programs it financed, extended the formal characteristics of bureaucratic public administration to the social services in most states and communities throughout the country. As a consequence, the profession of social work gradually lost its emphasis on human behavior and development, as organizational logistics replaced direct contact as the dominant principle of the profession. Local child welfare agencies and programs, for example, became less and less able to respond to the particular needs of the families and communities they served, as public regulations bound them more and more tightly to the bureaucratic procedures of the administrative state. Front-line workers came to view clients as "cases" with specific needs that corresponded to public program categories and service interventions, rather than as complex human beings with a variety of strengths and weaknesses.³²

The new administrative provisions of the 1960s and '70s, which changed the way front-line welfare workers served clients, offer a telling example. The combination of welfare rights advocacy and bureaucratic attempts to rationalize administration had the effect of formalizing, bureaucratizing, and -- in the process -- "proletarianizing" AFDC.³³ Some of these administrative changes provided important protections for clients, by formalizing eligibility criteria and service delivery procedures, so that legal advocacy could enforce individuals' rights to benefits. At the same time, however, they alienated workers from the clients they served, and reduced their view of clients' needs and circumstances to minute, technical details, such as whether or not adequate documentation of eligibility was available. In the end, clients were no longer subject to as much outright discrimination by regulations and case workers as before the 1960s reforms. In many cases, nevertheless, the vagaries of local political control and discrimination in implementation were replaced by the endless reams of red tape and tremendous increase in administrative complexity that the bureaucratized system brought with it.³⁴

³¹ Gardner, *Reform Options for the Intergovernmental Funding System*, p. 7.

³² This paragraph draws heavily on Thomas, "Travels in the Trench," pp. 12-13. He argues that most of these changes originated in public regulations: "Federal initiatives established bureaucratically contrived definitions of client need, uniform payment standards for services delivered, and process measures for accountability."

³³ This formulation comes from Simon, "Legality, Bureaucracy, and Class in the Welfare System," pp. 1202-1216. As he describes them, some of the most significant changes included the tightening of eligibility criteria from standards to more explicit rules, the increase in documentation required to demonstrate eligibility, a change in supervision and oversight from consultation to statistical monitoring of front-line error rates, and the separation of the provision of social services from the delivery of financial assistance (i.e., the narrowing of front-line responsibilities from general case management to eligibility determination and grant provision).

³⁴ As Simon nicely observes, the reforms in effect meant that applicants for AFDC no longer faced the moralistic, prejudiced scrutiny of Dostoevsky's Grand Inquisitor, but confronted instead the endless, baffling inquiries of Kafka's Doorkeeper. "The reforms seem to have reduced the claimant's experience of oppressive and punitive

Other sectors of public administration suffered a similar distancing from the societal problems they were intended to address, as legalistic, rationalizing reforms took hold in more and more state and local administrative systems. Front-line work efforts responded increasingly to central regulations and prescriptions from bureaucratic superiors instead of to conditions on the street.³⁵ In doing away with the more blatant forms of corruption and discrimination, bureaucratic public administration reinforced by legal advocacy in effect removed whatever capacity for responsiveness the New Deal/Great Society system possessed. The resulting rigidities in administration hindered the delivery of substantive justice to clients, even as the new formality ensured that many more clients received benefits that accorded with a procedural interpretation of the law.

IV. Administrative Changes at the Margins to Tame the Bureaucracy

In reaction to the formalization of the bureaucratic, categorical system of public administration, various reform impulses emerged to try to tame some of its excesses and rigidities. This section offers a stylized review of three such efforts: the War on Poverty, services integration projects undertaken by the federal Department of Health, Education, and Welfare (HEW) in the 1970s, and state initiatives to contract out the delivery of services to nongovernmental organizations.

A. The War on Poverty and Model Cities

Created by federal legislation in 1964, the War on Poverty was a core element in the attack on the discrimination inherent in the old, informal system of public administration. Rather than trying to reform existing state and federal agencies from within, however, as legal advocates and bureaucratic reformers sought, the War on Poverty created a direct link between a new federal agency and community-based organizations in poor neighborhoods. In this sense, it represented an early, fundamental change away from the organizational principles of the New Deal system, even though it predated many of the legal and programmatic reforms just described.

Through the War on Poverty, the newly created federal Office of Economic Opportunity (OEO) funded a variety of community-based programs to bring services together at the neighborhood level and to help poor people take advantage of them. OEO contracted or made grants directly to Community Action Agencies -- often indigenous civil rights groups -- for the delivery of new programs such as Community Action and Head Start, deliberately bypassing existing federal, state, and local agencies in the process. OEO created this parallel system because most traditional government agencies appeared unwilling to cooperate with its anti-poverty agenda of helping poor African-Americans.³⁶ This approach departed from the New Deal administrative

moralism, of invasion of privacy, and of dependence on idiosyncratic personal favor. But they also have reduced their experience of trust and personal care, and have increased their experience of bewilderment and opacity." Simon, "Legality, Bureaucracy, and Class in the Welfare System," p. 1199, 1221.

³⁵ On the problems of service delivery in bureaucratic public agencies of various types, see J.Q. Wilson, *Bureaucracy* (New York: Basic Books, 1989); Lipsky, *Street-Level Bureaucracy*.

³⁶ See, for example, P. Marris and M. Rein, *Dilemmas of Social Reform: Poverty and Community Action in the United States*, Second Edition (Chicago: Aldine Publishing Company, 1973); M. Katz, *The Undeserving Poor: From the War on Poverty to the War on Welfare* (New York: Pantheon Books, 1989), p. 89; J. Quadagno, *The*

system in several key respects. It utilized community-based organizations rather than state governments to implement federal programs, and it sought to coordinate various forms of assistance through neighborhood service centers, rather than providing discrete programs separately in the central county offices of public agencies.

Elected officials and administrators in state and local governments objected strenuously to the fact that the War on Poverty funds bypassed them and supported the development of local organizations controlled by poor and disenfranchised people of color. Some were able to co-opt the local Community Action Agencies into their own patronage operations.³⁷ Others pressed their concerns upward through the channels of the Democratic Party, and President Johnson and the Democratic Congress responded by creating the Model Cities program in 1966.

Model Cities gave funds to city governments to establish citizen and community advisory boards to plan urban renewal and neighborhood improvement initiatives. Featuring provisions for local government control and a focus on improving the physical state of blighted neighborhoods, rather than combating poverty at large, "The Model Cities programme seemed deliberately designed to restore the initiative in reform to established authority, in reaction against the radical tendencies of community action." Both under funded and, in the end, unaccountable, Model Cities proved to be little more than a mainstream embodiment of the War on Poverty's idea of community control, minus the politically threatening component of community empowerment.³⁸

Given their timing and aims, the War on Poverty and Model Cities inevitably became caught up in the strident politics of the day, and were able to achieve little impact on the existing administrative system. The War on Poverty initiated various service delivery strategies to address some of the emerging problems of program coordination (e.g., case management, services collocated in neighborhood centers), but the system as a whole contained no coherent, community-based vision, much less a comprehensive approach to designing policy.³⁹ By the time funding for the War on Poverty and Model Cities began to decline in the late 1960s and early 1970s, the problems of coordination and administrative complexity had yet to emerge in full flower. The comprehensive local planning and service coordination efforts that they included nevertheless represented a jumping off point for later efforts to reform the administrative system.

The War on Poverty proved to have a number of influences on later developments in human services and anti-poverty policies. It introduced the role of citizen participation in social change

Color of Welfare: How Racism Undermined the War on Poverty (New York: Oxford University Press, 1994), p. 11. Other Great Society programs that were implemented by the old line New Deal agencies and local governments (e.g., job training, Model Cities) ended up merely reinforcing patterns of racial segregation in political power and the distribution of program benefits. See Quadagno, *Color of Welfare* (e.g., pp. 30, 52, 104); also M. Weir, *Politics and Jobs* (Princeton, NJ: Princeton University Press, 1992).

³⁷ Chicago, the model political machine of the time under Mayor Daley, was the exemplar in this regard as well. See Quadagno, *Color of Welfare*.

³⁸ Marris and Rein, *Dilemmas of Social Reform*, p. 262. See also R. Halpern, *Rebuilding the Inner City* (New York: Columbia University Press, 1995), p. 118; N. Lemann, *The Promised Land* (New York: Knopf, 1991), p. 198.

³⁹ R. Halpern, "Neighborhood-Based Services in Low-Income Neighborhoods: A Brief History," in E. Zigler, S.L. Kagan, and N. Hall (eds.), *Children, Families, and Government: Preparing for the Twenty-First Century* (Cambridge: Cambridge University Press, 1996), p. 36.

and the importance of developing indigenous political leadership among program beneficiaries, the virtues of decentralizing government revenues and delivering services through neighborhood centers, and the importance of a state agency acting as an advocate for the poor, thereby rendering their grievances and needs (at least somewhat) legitimate.⁴⁰ The War on Poverty also introduced a new role for community groups in implementing human services programs. Finally, the political backlash that these innovations sparked against social programs targeted by race would eventually force innovations in both the design of human services and the political strategies of their proponents. Systemic human services reforms in the 1980s and '90s drew on these ideas directly, even as they explicitly sought to avoid other limitations of the War on Poverty and Model Cities, such as their accountability problems and local political tensions surrounding control of resources.

B. HEW Services Integration Projects

Human services reforms in the 1970s and early 1980s sought to address the dilemmas of service access and responsiveness through organizational and administrative changes. This approach differed from the War on Poverty's attempt to empower service recipients, as well as from the Great Society's strategy of adding new programs. After the explosion of the number of federal categorical programs in the 1960s, Congress and President Nixon combined some programs into block grants to the states in the early 1970s.⁴¹ While this approach reduced the number of categorical grants, it did little to change the categorical nature of the system and the resulting dilemmas of service delivery and administration.⁴² To the extent that the shift to block grants benefited any one constituency, moreover, they probably empowered the public administrators at the federal, state, and county levels who managed and oversaw them, more than the recipients of the services they funded.

At the same time, the U.S. Department of Health, Education, and Welfare (HEW) undertook a series of demonstration projects to pilot new ways for different levels of government to work together to improve the accessibility and availability of human services. HEW awarded planning and implementation grants to a number of states and local governments, granting them more autonomy and flexibility in using federal funds to support the integration of services across agencies in selected areas or programs.⁴³ State and local initiatives included joint planning mechanisms; interagency systems for planning, programming, budgeting, and evaluation; centralization of budgeting authority; regional planning districts; state super agencies to oversee and coordinate a variety of line agencies; and consolidation of different agencies into one. These

⁴⁰ D. Zarefsky, *President Johnson's War on Poverty* (University, Alabama: University of Alabama Press, 1986), pp. 192-195. The first two of these ideas drew on two demonstration projects funded by the Ford Foundation in the early 1960s that heavily influenced the architects of the federal War on Poverty: the Gray Areas Project and Mobilization for Youth. For details of their design and impact on federal policy, see P. Marris and M. Rein, *Dilemmas of Social Reform*; Halpern, *Rebuilding the Inner City*, pp. 92-104.

⁴¹ See, among others, T. Conlan, *New Federalism: Intergovernmental Reform from Nixon to Reagan* (Washington: The Brookings Institution, 1988).

⁴² See, for example, Kagan with Neville, *Integrating Services for Children and Families*, pp. 22-25.

⁴³ Kagan with Neville, *Integrating Services for Children and Families*, p. 31. HEW projects included Services Integration Targets of Opportunity, begun in 1972; the Partnership Grants Program (1974); Comprehensive Human Services Planning and Delivery System Projects (1975), and, later, the Services Integration Pilot Projects (1984). Kagan and Pritchard, "Linking Services for Children and Families," pp. 382-83.

efforts had little impact overall, however, as goals were often vague and implementation haphazard.⁴⁴ Findings from the projects about the effects of service coordination were inconclusive. The information generated was mostly about the process of linking services.⁴⁵

Several pieces of legislation were proposed based on the early experiences of some of the HEW demonstration sites. The aim was to permit state and local governments to create plans to coordinate services, pool different federal funding streams, and request waivers of statutes and regulations to enable them to integrate services. None of the pieces of legislation passed, however, due to fears that they presaged cuts in federal spending on human services, gave too much power to governors and states, and provided inadequate funding to local governments.⁴⁶

Despite the limits of the innovations they sparked in actual systems and front line practice, federal services integration initiatives of the 1970s helped refine practitioners' understanding of how new systemic arrangements might be designed. In particular, they initiated the idea of mutual adaptation between central and local actors within the human services system. Pure-form community control (as in the War on Poverty or Model Cities) was no longer the only policy idea available to human services reformers. The federal government's relationship with decentralized actors (in this case, state and local governments) was also understood as critically important. Conceptual innovations from the HEW projects, such as permitting states and localities to request waivers and flexible funding to support services integration, would reappear in later reform efforts.

C. Contracting for Service Delivery

While these federal demonstration projects were underway in the 1970s and 1980s, some states also began to change their arrangements for providing human services, by contracting with community-based organizations instead of using public line agencies to deliver services. Following the idea of community control, contracting sought to make services more responsive to local conditions. At the same time, it held some potential (at least in theory) to reform public systems, by injecting a new source of information -- the nongovernmental contractors -- into formal public decisions about service provision. If contractors could adapt central prescriptions to local circumstances, they could offer an antidote to the bureaucratic rigidity of the categorical

⁴⁴ S. Gans and G. Horton, *Integration of Human Services: The State and Municipal Levels* (New York: Praeger, 1975). One assessment concluded that these federal efforts sought to "shout or bribe the system into reform from the top down," without a "shared vision at the bottom of the need for change..." W.A. Morrill, "Getting Beyond the Micro 'Gee Whiz': Can Innovative Service Change the Service System?" in A. Kahn and S. Kamerman (eds.), *Children and Their Families in Big Cities: Strategies for Service Reform* (New York: Cross-National Studies Research Program, Columbia University School of Social Work, 1996), p. 193.

⁴⁵ In hindsight, many of the conclusions appear intuitive: "contextual variables such as the demographic characteristics of a community can affect and alter the development of different integrative initiatives," and replicating pilot efforts to coordinate services requires broad support from community members and human services staff. Kagan and Pritchard, "Linking Services for Children and Families," p. 383. In essence, the federal demonstration efforts rediscovered various techniques of integrating services (co-location, shared functions, information, referral, follow-up, and case management). Halpern, *Rebuilding the Inner City*, pp. 187-88.

⁴⁶ Legislative proposals included the Feeder Bill of 1971 and various versions of the Allied Services Act. See Kagan and Pritchard, "Linking Services for Children and Families," p. 384. For details, see Kagan with Neville, *Integrating Services for Children and Families*, pp. 42-52.

human services system. Finally, contracting reduced the role of government in serving children and families, thereby comports with the political thrust of rolling back the welfare state.

Despite these aspirations, many contracting initiatives encountered problems in practice that limited their ability to improve the effectiveness of services. In many communities, indigenous local organizations simply did not exist or lacked the capacity to step in and deliver formal human services in ways that state agencies deemed accountable. As a result, most state governments heavily enforced their administrative requirements that contractors document and report detailed information about their case loads and front-line practices. These procedural demands eventually overwhelmed what flexibility and local knowledge the contractors might once have possessed.⁴⁷

A few exceptions nevertheless indicate that some contract administrators did grapple with the specifics of system redesign -- such as funding streams and reporting requirements -- in direct attempts to improve the effectiveness of services for recipients. A few community-based contractors built new relationships with public agencies that reshaped the availability and accessibility of services for consumers, as well as administrative and fiscal provisions.⁴⁸ These exceptional episodes represented another small step in the ongoing effort to devise new ways to structure the system so as to improve the effectiveness of services.

D. The Legacy and Context for Current Systemic Reforms

These well-meaning attempts to improve the existing system at the margins, through local control, services integration, and contracting, did not change the system's bureaucratic, categorical character. Human services categories and regulations continued to grow, as the number of federal and state programs expanded throughout the 1970s, 1980s, and 1990s. At the same time, funding for many programs remained level or was reduced,⁴⁹ and broad economic, demographic, and social changes devastated many low-income communities, as described above. In consequence, many families facing disadvantages were left with fewer informal supports in their neighborhoods, and often turned to the increasingly complex public human services system for assistance.

In the face of these changes, right wing rhetoric that the welfare state was overextended and unwieldy increased the perception that the proliferation and complexity of social programs and reforms had had only a limited impact on the effectiveness of services for children and families.

⁴⁷ This paragraph draws heavily on M. Lipsky and S.R. Smith, *Nonprofits for Hire: The Welfare State in the Age of Contracting* (Cambridge, MA: Harvard University Press, 1993).

⁴⁸ A prominent example is the Door in New York City. See the description in E. Bardach, *Getting Agencies to Work Together: The Practice and Theory of Managerial Craftsmanship* (Washington: Brookings Institution, 1998). Research also suggests that state administrators in Massachusetts in the late 1980s and early 1990s were developing contracting reforms that would have institutionalized adaptive arrangements between the state and nongovernmental human services contractors. Their innovations fell victim to budget cuts, however, amidst a fiscal crisis brought on by economic recession. T. Sample, manuscript, MIT Political Science Department (mimeo, n.d.).

⁴⁹ Between 1970 and 1992, for example, the average monthly welfare grant offered to families shrank by almost half. U.S. House of Representatives, Ways and Means Committee, *Overview of Entitlement Programs: 1994 Green Book* (Washington: U.S. Government Printing Office, 1994), p. 324.

Opponents of government intervention used code words that capitalized on racial tension, connecting tales of governmental largesse and inefficiency with social programs, like the War on Poverty, that targeted ethnic minorities -- especially poor African Americans.⁵⁰ Fanned by this ideological movement, the public increasingly drew the conclusion that government programs had failed to achieve their promises of eradicating poverty and human need in the United States.⁵¹

The poor performance of the existing system, coupled with rhetorical scapegoating, eventually produced a backlash against public programs for poor and disadvantaged people among politicians in both major political parties, leading to legislative proposals to curtail social spending. Over the course of the 1980s, the rhetoric and eventually the design of social policies came to favor family self-sufficiency rather than entitlements to assistance, and emphasized devolving policy responsibility to the states. Under President Reagan, the federal government increased spending on the military at the expense of many domestic initiatives, block granted a number of federal human services programs to the states, and cut funding for others, most notably housing assistance for the poor. Throughout the 1980s, to be sure, federal and state governments made changes to existing human services programs and added the occasional new program.⁵² At the same time, however, the impact of the federal cuts and the economic, demographic, and social changes reviewed earlier had a dramatic effect on many poor families and individuals. The visibility of homelessness and the effects of drug abuse soared, for example. Many states used their own funds to compensate for some of the federal cuts, but a climate of fiscal scarcity pervaded the human services.

In this context, proposals for new social policies and the politics surrounding them assumed a decidedly different tone than in previous decades. Put crudely, "the new politics of the welfare state" dealt with retrenching rather than expanding existing programs, and proposals for new social spending garnered only limited support.⁵³ The new policy making environment featured multiple obstacles to the development of new social policies.⁵⁴ One analyst suggested that social

⁵⁰ See, for example, Quadagno, *The Color of Welfare*; Weir, *Politics and Jobs*.

⁵¹ Polls in the early 1990s, for example, suggested that many members of the public felt that the welfare programs of the time trapped families in poverty and dependency. See R. Blendon, D. Altman, J. Benson, et al., "The Public and the Welfare Reform Debate," *Archives of Pediatric Adolescent Medicine* 149(10), October 1995.

⁵² For example, the federal Adoption Assistance Act of 1980 changed the guiding orientation of child welfare agencies. The federal Family Support Act of 1988 increased funding for job training and child care for women on welfare, and encouraged state welfare agencies to move more of them into the work force. The federal Family Preservation and Support Act of 1993 gave states modest additional child welfare funding to offer preventive services to families at-risk of entering the system. Finally, state administrators exploited numerous loopholes enabling them to draw down federal Medicaid funding for an array of new purposes, causing Medicaid spending to skyrocket. For a portrait contrasting the increase in Medicaid spending with the much smaller changes in spending on other federal programs for poor families with children between 1977 and 1995, see K. Weaver, "Ending Welfare as We Know It," in M. Weir (ed.), *The Social Divide* (Washington: Brookings, 1998), p. 365.

⁵³ See P. Pierson, "The New Politics of the Welfare State," *World Politics* 48 (January, 1996): 143-79; P. Pierson, "The Deficit and the Politics of Domestic Reform," in M. Weir (ed.), *The Social Divide* (Washington: Brookings, 1998).

⁵⁴ Fiscal dilemmas centered around the "general loss of control over public budget choices at the national level." Economic difficulties stemmed from "fundamental economic transformations that overturn long-held expectations of affluence and security." Organizational changes rejected "traditional, hierarchical patterns of authority in private and public spheres." The political realm witnessed "proliferating forms of 'democratic' responsiveness together with mounting public distrust." Cultural developments included "expanding expectations of social inclusion

programs might command more public support if they could tailor services “to meet readily identifiable needs and personal circumstances,” through “coherent and highly sensitive administration.” He concluded, however, that such policies were unlikely to emerge, because U.S. political institutions lack the capacity to produce them.⁵⁵ Regardless of the specifics, the political prospects were increasingly bleak for maintaining human services budgets at existing levels, much less for increasing funding or creating new programs.

Even as this scenario unfolded, however, a movement for systemic human services reform began to realize new achievements in the field -- albeit on a very small scale -- by addressing individuals' personal needs and circumstances using customized administrative mechanisms. The chapter now turns to examine how this movement emerged and survived in such a hostile context.

V. The Intellectual History of Today's Systemic Reforms

By the early 1980s, even the most creative human services advocates and practitioners found their options for reform restricted by the political environment. Republican proposals to reduce funding for social programs forced them to look closely at how well the human services system was serving children and families, in order to justify maintaining the existing level of spending. Because the system was not particularly effective in serving many intended beneficiaries who needed the most help, even committed human services advocates, administrators, and analysts could not counter the attack on social spending with much credibility.⁵⁶ Many became frustrated themselves with the failure of the existing service system to improve the lives of the hardest-to-serve children and families, despite the various reforms undertaken during the 1970s.⁵⁷

Even though would-be reformers had a general sense that the existing system was not working as effectively as they wanted, they were unsure what to do in response, much less how to generate political support for change. Establishing a program for every category of human need deemed worthy of government intervention had created a hopelessly complex system of support and assistance, manifested by the limitations of the existing categorical system. Community control and bureaucratic reform of public systems had each provided a glimmer of hope as a means for reform, but proven only partially successful at best in practice.

accompanied by deepening cultural uncertainties.” H. Heclo, “Coming into a New Land: The Context Shaping American Social Policy,” in S. Kamerman and A. Kahn, *Whither American Social Policy?* (New York: Cross-National Studies Research Program, Columbia University School of Social Work, 1996), p. 2.

⁵⁵ H. Heclo, “The Political Foundations of Anti-Poverty Policy,” in S.H. Danziger and D.H. Weinberg (eds.), *Fighting Poverty: What Works and What Doesn't* (Cambridge, MA: Harvard University Press, 1986), p. 332.

⁵⁶ Interviews with Judy Chynoweth (1998) and Steve Preister (1998). Chynoweth, who managed the Family Policy Academies for the Council of Governors' Policy Advisors at the National Governors' Association in the 1980s, said: “It was the 1980s, and we realized funding was short and the political climate was conservative.... The old way of getting good policy ideas funded -- design a plan, line up the interest groups, get the Governor's ear, and wait for a good fiscal year -- wouldn't work anymore.... [M]arketing [our ideas] wasn't enough; we needed to show that what we were proposing could generate better results.”

⁵⁷ A number of practitioner groups lamented the uncoordinated nature of federal social programs, the limits of the existing system, and the lack of a family focus in public policy as early as the 1980 White House Conference on Families. Interview with Steve Preister (1998), then with the Association for Marriage and Family Therapy, and now with the National Association for Family-Based Services.

In this context, some practitioners and observers recognized that these past reforms had not changed the way service providers actually worked with service recipients.⁵⁸ Forward-thinking practitioners formed the “family support movement” to promote new kinds of reforms focused on the level of service delivery.⁵⁹ The aim was to change case work practices so that they supported families, instead of treating individual problems in isolation from one another as the categorical approach to service delivery encouraged.⁶⁰ These reforms focused fundamentally on changing the way service providers worked with children and families within individual categorical disciplines (e.g., children’s mental health, child welfare). Starting points in all the disciplines included common beliefs and principles about best practices in service delivery, as well as new training approaches to instill those principles in front line staff, rather than the dictation of new procedures for delivering services.⁶¹

These efforts gradually grew into full-fledged attempts to change entire systems within various disciplines, and are now extending across agencies and programs to link the disciplines themselves together. When they first began, however, reformers had no coherent model of public administration or human services management in mind. Administrators and service providers initially sought only to change service delivery practice, because of the poor outcomes that existing practices were achieving for many children and families. They began thinking about reforming the entire system only gradually, after front line staff encountered systemic obstacles when they tried to implement changes in service delivery.

A. The Players

The new wave of human services reform has evolved through an exchange of ideas and practices among the members of an informal issue network that includes children’s advocates, policy

⁵⁸ Earlier reforms in child mental health and child welfare, for example, “did not address the emotional disorders that affect such a large proportion of children in foster care. And most spent years battling the inertia of entrenched bureaucracies, producing at best lowered case loads rather than focusing on the behavioral issues.” Bazelon Center for Mental Health Law, *Making Child Welfare Work: How the R.C. Law Suit Forged New Partnerships to Protect Children and Sustain Families* (Washington: Author, May 1998), p. 4; see also p. 10. For a similar point, see Center for the Study of Social Policy, *G.L. v. Stangler: A Case Study in Court-Ordered Child Welfare Reform* (Washington: Author, n.d.), p. 14.

⁵⁹ For an outline of the precepts of family support, see various pieces in S.L. Kagan, D. Powell, B. Weissbourd, and E. Zigler (eds.), *America’s Family Support Programs* (New Haven, CT: Yale University Press, 1987).

⁶⁰ States that funded programs featuring the new forms of service delivery included Iowa, Maryland, Missouri, North Carolina, and Oregon in the late 1980s. They were soon joined by states such as Alabama, Georgia, Minnesota, Ohio, and Vermont. For a description of the new approach, including the useful distinction between case work reforms and administrative reforms, “such as reorganizing state agencies or building links among local program administrators,” see J. Waldfogel, “The New Wave of Service Integration,” *Social Service Review*, September 1997.

⁶¹ Bazelon Center, *Making Child Welfare Work*, p. 5. The principles of best practice include: services shall be comprehensive, community-driven, flexible, responsive, user-friendly, easily accessible, and preventive. Service providers will trust and respect clients, and treat individuals as part of their families and families as part of the community. See L. Schorr, *Within Our Reach: Breaking the Cycle of Disadvantage* (New York: Anchor, 1989). For a review of recent literature on the characteristics of effective services, see J. Kinney, K. Strand, M. Hagerup, and C. Bruner, *Beyond the Buzzwords: Key Principles in Effective Practice*, Resource Brief (Falls Church, VA: National Center for Service Integration, 1994).

analysts, state administrators, and other practitioners.⁶² Most participants in the network have been inspired by their frustration with the inability of existing programs and policies to improve significantly the lives of children and families facing disadvantages.⁶³

The increasingly apparent inability of any one type of agency or program to solve the problems of children and families -- especially those related to economic self-sufficiency -- led to a search for new ways to work with families that went beyond existing mandates and programmatic approaches. Some educators, for example, became interested in offering a comprehensive array of human services linked to schools when the prevalence of problems outside the classroom (e.g., violence, hunger, lack of appropriate clothing, lack of sleep) impinged more and more noticeably on children's ability to learn. More traditional education reforms, such as special education, increased teacher salaries, and smaller class sizes, could not solve these problems, because they originated outside the class room, in the conditions facing children's families and communities.⁶⁴ Child welfare and children's mental health agencies, for their part, needed to secure preventive and therapeutic services from other agencies for the families they served, because they rarely had sufficient funds themselves to deliver these kinds of "front end" services to families.⁶⁵

The national issue network has an organic structure that cuts across different levels of government and types of organizations. Different organizations play different roles -- some as intellectuals and technical assistance providers, others as outside activists and proselytizers, still others as inside policy makers or negotiators. The specific actors playing these roles have changed over time, as advocates have moved into policy making roles, and policy makers have

⁶² National issue networks of policy intellectuals and practitioners often develop general "ideas in good currency" in their areas of expertise, based on the particular policy problems they seek to address. State and local practitioners who are part of these professional issue networks may adapt and build on these ideas after learning about them from conferences, outside consultants, or informal conversations with one another. On ideas in good currency and their diffusion through practitioner networks, see J. Walker, "The Diffusion of Knowledge, Policy Communities, and Agenda Setting: The Relationship of Knowledge and Power," in M. Dluhy, J. Tropman, and R. Lind (eds.) (New York: Pergamon Press, 1981). On issue networks more generally, see H. Heclo, "Issue Networks and the Executive Establishment," in A. King (ed.), *The New American Political System* (Washington: American Enterprise Institute, 1978). The faction of practitioners under scrutiny here might be referred to more precisely as an advocacy coalition within the larger issue network of human services professionals. For a definition and explication, see P. Sabatier, "An Advocacy Coalition Framework of Policy Change and the Role of Policy-Oriented Learning Therein," *Policy Sciences* 21 (1988), pp. 129-168.

⁶³ The reformers refer frequently to the "rotten outcomes" that some children experience, referring to measures such as rates of out-of-home placements in foster care and institutional homes, juvenile justice recidivism, school dropouts, teen pregnancy, and other indicators of family well-being. See, for example, Schorr, *Within Our Reach*. As Judy Chynoweth explained in an interview, she and a number of other early proponents of systemic reform were "traditional liberals, committed to government helping people improve their lives. While pursuing this goal in the course of our careers, we've had to rethink our concept of how government can best do this. The conservative backlash against 'big government' pushed our rethinking along, but we eventually recognized ourselves that the old [centralized, categorical] system had run its course." (Interview, 1998.)

⁶⁴ Interviews with former and current state education officials in Georgia (1996) and Missouri (1998).

⁶⁵ Children's mental health services are chronically under funded and under supplied. See, for example, J. Knitzer, *Unclaimed Children* (Washington: Children's Defense Fund, 1982). Child protection staff have increasingly had to dedicate their work to investigating reports of child abuse and neglect instead of offering direct services to families. See M. Weber, "The Assessment of Child Abuse: A Primary Function of Child Protective Services," in M.E. Helfer, R.S. Kempe, R.D. Krugman (eds.), *The Battered Child*, Fifth Edition (Chicago: University of Chicago Press, 1997).

left office and assumed more outside intellectual roles.⁶⁶ Entire organizations participating in the policy network have also altered their roles strategically over time, as the reforms have expanded and influenced practice and policy.⁶⁷ Broad types of actors have nevertheless played fairly consistent roles in the network.

Reflective practitioners in state and local governments and community-based organizations, for example, have developed their own innovations in service delivery and system design, or adapted them from other states and communities. They have identified best practices in the field by participating in the issue network, either by contacting their counterparts in other states and communities, or through the intellectuals in the network who have tracked promising innovations.

Many of these practitioners initially began trying to cooperate with one another across different agencies and programs, in order to increase the range of services available to families. Prominent among them were experienced administrators who conferred with their counterparts in other human services agencies and recognized that they were all serving many of the same children. Many of these veterans had survived in office for years, spanning changes in governors and partisan shifts in legislative control, giving them a historical perspective on their state bureaucracies, as well as the political savvy to sustain a major reform initiative.⁶⁸

The intellectuals in the national issue network have worked mostly in private foundations and applied think tanks, but most of them come from practitioner backgrounds in state or federal government.⁶⁹ They have documented the experiences, successes, and limits of the innovations that the practitioners have been pursuing in different states and communities. The resulting knowledge -- frequently in the form of anecdotes and folk wisdom from the field, rather than

⁶⁶ Examples abound. Among the informants I interviewed in researching this chapter, for example, Donna Stark worked in Maryland state government in the 1980s, before moving to the Casey Foundation; Phyllis Rozansky headed a children's advocacy group in Missouri in the 1980s, then went to work closely with state agency directors at the public-private Missouri Family Investment Trust, and is now an independent consultant; Phyllis Brunson worked in several state and local government child mental health agencies before joining the staff of the Center for the Study of Social Policy in the mid-1990s. I try to capture more examples from the state and local levels in the Case Studies.

⁶⁷ The Clark Foundation's Program for Children, for example, initially funded initiatives to encourage the adoption of children with special needs. Then it turned to fund the improvement of permanency planning for children removed from their families. In the late 1980s and early 1990s it funded the implementation and evaluation of intensive family preservation services in a number of states and communities (including Missouri). After passage of the federal Family Preservation and Support Act in 1993, they began funding the development of the concept of a "community partnership for child protection," which involves building strong links between public child protective services agencies and informal supports for families at the neighborhood level. See S. Notkin, J. Kapelus, and S. Karow, "The Edna McConnell Clark Foundation Program for Children Strategy Statement," March 1996 (mimeo), p. 1.

⁶⁸ Examples included Jim Ledbetter, Director of the Georgia Department of Human Resources, and Werner Rodgers, Georgia Superintendent of Public Schools; Charles Palmer, Director of the Iowa Department of Human Services; Gary Stangler, Director of the Missouri Department of Social Services; and Gary Weeks, current Director and former Deputy Director of the Oregon Department of Human Resources.

⁶⁹ As one practitioner-turned-intellectual told me, "I'm not sure we're intellectuals at all. I think this [systemic reform movement] is really just a massive practitioner conspiracy." (Interview, 1998.) I nevertheless retain a distinction between "practitioners" and "intellectuals" throughout this chapter as a short hand way of distinguishing reform proponents working in state government and community-level positions from those working in national think tanks, foundations, or other "technical intermediary" organizations, as they are sometimes called.

hard statistics or formal evaluation results -- has served as a base of common experience for network members to draw on, learn from, and adapt.⁷⁰ In addition to direct consultation and presentations at national conferences, the intellectuals have written working papers, planning documents, monographs, and other publications to disseminate ideas to the practitioners.⁷¹

A range of national foundations and think tanks have developed and promoted the idea of systemic human services reform.⁷² The Casey, Clark, and Pew foundations have funded the work of many of the think tanks, as well as some of the field experiments in states and communities. Casey, in particular, has offered ongoing funding to state governments committed to systemic reform. During the Bush Administration, the U.S. Departments of Health and Human Services and of Education funded the National Center for Service Integration (a coalition of think tanks), and supported the writing of *Together We Can*, a "hands-on" guide to collaboration, which is one of the more popular publications in the field.⁷³ The Clinton administration's efforts to foster new federal-state arrangements that exchange funding and regulatory flexibility for agreements to measure and improve outcomes (such as the Oregon Option) have also contributed to the systemic reform movement.⁷⁴ Other national foundations

⁷⁰ Oft-cited anecdotes include a manager informing her staff never to tell a client, "I know that's the service you need, but that's not what I offer." See Schorr, *Within Our Reach*. In another favorite story about overlap and duplication in comprehensive service provision, a case manager asks a mother with several troubled children what the most helpful thing she could do would be, and the mother replies, "Help me clean up my house before the next case manager gets here." One of the most frequently invoked descriptive metaphors about systemic change is that reformers are "building the plane while flying it."

⁷¹ I cite some of these publications in the footnotes below. Vehicles for disseminating the intellectuals' knowledge have included the newsletters, monographs, and annual conferences of practitioner groups such as the Child Welfare League of America, the American Public Welfare Association, the Council of Chief State School Officers, the National Governors' Association, and the National Association for Family-Based Services, as well as the publications of the think tanks and the foundations themselves.

⁷² Key groups include the Annie E. Casey Foundation, the Edna McConnell Clark Foundation, the Pew Charitable Trusts, the Chapin Hall Center for Children at the University of Chicago, the Center for the Study of Social Policy, the Family Resource Coalition, the Finance Project, the National Center for Service Integration (a consortium that included Mathtech, the Yale University Bush Center in Child Development and Social Policy, the Child and Family Policy Center, Policy Studies Associates, the National Governors' Association, and the National Center for Children in Poverty at Columbia University, where I worked as a research associate), the Harvard Family Research Project, the Institute for Educational Leadership, the Center for Collaboration for Children at California State Fullerton, the Center for Assessment and Policy Development, and, before their demise, the Council of Governor's Policy Advisors at the National Governors' Association and the Family Impact Seminar. A number of other organizations have participated in joint initiatives with these primary network participants, by funding demonstration projects, writing working papers, and developing new evaluation techniques. These include the Columbia School of Social Work, Harvard's Kennedy School of Government, the Children's Defense Fund, the Kauffman Foundation, the Danforth Foundation, the MacArthur Foundation, and others, along with a variety of state and local foundations and policy shops. This list draws in part on J. Krauskopf, "Overcoming Obstacles to Implementing Reform of Family and Children's Services," Paper presented at the Association for Public Policy Analysis and Management Research Conference, Chicago, October 1994.

⁷³ A. Melaville and M. Blank, *Together We Can: A Guide for Crafting a Profamily System of Education and Human Services* (Washington: U.S. Department of Education and U.S. Department of Health and Human Services, 1993). As the publication date indicates, the Clinton administration supported publication and dissemination of the report.

⁷⁴ In addition to permitting the Oregon Option and similar waiver packages, the administration sponsored a working group that developed a vision for a new division of labor between federal, state, and local government efforts to serve children and families. See Working Group on Comprehensive Services, *Putting the Pieces Together: Effective Communities for Children and Families* (Washington: U.S. Department of Education, March 15, 1996).

and think tanks have promoted similar reforms in related policy areas, such as community building or civic renewal, that complement the movement for systemic human services reform.⁷⁵

B. The Process

These practice-minded intellectuals and reflective practitioners have worked together in three different ways to identify the problem of systemic human services reform and to propose alternative ways to address it.⁷⁶ First, driven by the practitioners' concerns, the intellectuals identified the existing categorical system and its lack of ties to local communities as the fundamental obstacle that limits how effectively service providers can assist children and families.⁷⁷ Second, the intellectuals articulated a vision of a possible solution, and highlighted emerging practices from the field that appeared to begin operationalizing it. In place of services and providers defined by centrally prescribed categories, they envisioned services and delivery practices designed around the particular strengths and needs of individual families.⁷⁸ Third, the intellectuals and the practitioners brainstormed together to revise the initial vision in order to address difficulties that early experiments were facing in the field, and to extend its potential applicability to new sites and circumstances.⁷⁹

⁷⁵ These groups include the Ford Foundation, the Rockefeller Brothers Foundation, the Carnegie Corporation, the Roundtable on Comprehensive Community Initiatives (housed at the Aspen Institute), Public/Private Ventures, the National Civic League, the Urban Strategies Council, and others. Their efforts share the emphasis that systemic human services reform places on comprehensive services and collaboration, but explicitly target very poor neighborhoods in inner cities and stress (re-)building community institutions, social networks, and residents' self-reliance. For details, see J. Walsh, "Community Building in Theory and Practice: Three Case Studies," *National Civic Review* 86(4), Winter 1997, especially p. 295.

⁷⁶ Thanks to Jane Knitzer for pointing out these three forms of interaction to me (Interview, 1998). See also J. Knitzer, "Children's Mental Health: Changing Paradigms and Policies," in E. Zigler, S.L. Kagan, and N. Hall (eds.), *Children, Families, and Government: Preparing for the Twenty-First Century* (Cambridge: Cambridge University Press, 1996).

⁷⁷ For a summary of the drawbacks (and the advantages) of the categorical system of policy and funding in the general area of human services, see Gardner, *Reform Options for the Intergovernmental Funding System*. For an overview of the proliferation of categorical programs and funding streams from 1980 to 1994, see C. Hayes, *Rethinking Block Grants: Toward Improved Intergovernmental Financing for Education and Other Children's Services* (Washington, DC: The Finance Project, 1995), esp. pp. 15-16. Specialists in various disciplines of human services articulated their own calls for reform of both systems and service delivery. In the area of children's mental health, see Knitzer, *Unclaimed Children*. In the area of child welfare, see Center for the Study of Social Policy, *A Framework for Child Welfare Reform* (Washington: Author, 1987).

⁷⁸ The services integration and family support movements, for example, sought to make service delivery more effective by making it more user-friendly, using co-location, case management, and the principles of family-supportive practice. For the characteristics of family-supportive practice, see J. Kinney, K. Strand, M. Hagerup, and C. Bruner, *Beyond the Buzzwords*. For more details on these characteristics and their positive impact on the effectiveness of services in improving the lives of service recipients, see Schorr, *Within Our Reach*. For an early attempt to translate these principles of service delivery into the implications for the design of a new delivery system for child welfare services, see Center for the Study of Social Policy, *A Framework for Child Welfare Reform*, pp. 10-12. In the area of children's mental health, see B. Stroul and R. Friedman, *A System of Care for Severely Emotionally Disturbed Children and Youth* (Washington: CASSP Technical Assistance Center, July 1986).

⁷⁹ Schorr, for example, has recently written a follow-up book, explaining why it is so difficult for effective programs and service delivery practices to move beyond the pilot stage and go to scale. L. Schorr, *Common Purpose: Strengthening Families and Neighborhoods to Rebuild America* (New York: Anchor, 1997). The Center for the Study of Social Policy has been developing, refining, and documenting promising practices of the idea of local governance and other tools of systemic reform since at least 1987.

1. Service Delivery and Interagency Collaboration

This ongoing exchange between the practitioners' experiments in the field and the intellectuals' efforts to document and conceptualize their innovations went on within and across various human services disciplines throughout the 1980s. Some early attempts at interagency cooperation in the field took the form of co-location: making various services available to children and families at single sites, such as schools, family resource centers, comprehensive child development centers, or public housing projects.⁸⁰ These service integration initiatives essentially sought to provide a range of supportive services (e.g., public health, substance abuse counseling, child care, parent education) as complements, to enable an individual or a family to take full advantage of a primary service, such as schooling, child development, public housing, or employment and training.

Sometimes individual agencies pulled services together at the front line, offering a variety of flexible resources and supports to families in a single package, to try to prevent and treat severe problems, such as child maltreatment, or children's mental health problems. These efforts established new, comprehensive delivery approaches within individual service systems (e.g., family preservation in the child welfare system, wraparound care in children's mental health).⁸¹

Occasionally, systematic interagency relationships emerged across different systems, such as between local child care and Head Start programs, or county child welfare and children's mental health departments. These systems tend to serve many of the same families, so communication and collaboration between them makes a great deal of sense.⁸² Initial *ad hoc* cross-system efforts emerged in a few states and communities, frequently in the form of collaboration among front line providers to improve service delivery for individual families.

By the late 1980s, these initial collaborations provided participants in the issue network with "glimpses of the possible" from one innovating site or another.⁸³ Some intellectuals used these glimpses to develop specialized technical assistance materials for the practitioners, which

⁸⁰ Early leading examples included New Beginnings in San Diego, Lafayette Courts in Baltimore, and Walbridge Caring Communities in St. Louis (which became a flag ship site in Missouri's state wide systemic reform initiative). For brief descriptions, see Melaville and Blank, *Together We Can*.

⁸¹ For example, the federal Child and Adolescent Service System Program (CASSP), enacted in 1984, offered federal grants and technical assistance to help states and counties develop child-centered, community-based systems of care for children's mental health. These systems were intended to ensure coordination among the various services available to children with severe emotional disturbances, both at single points in time for children needing assistance from multiple agencies, and over time as children's needs changed, requiring new services or the adaptation of services already provided. See Stroul and Friedman, *A System of Care*. The federal Family Preservation and Support (FPS) Act of 1993 similarly sought to provoke innovations in states' child welfare systems, by providing funds to support preventive services designed to help keep children from troubled families out of foster care and institutional care. The FPS legislation was the federal attempt to encourage states to adopt family preservation and support practices that a handful of leading states had developed and refined during the 1980s and early 1990s, through pilot programs supported by private funders such as the Edna McConnell Clark Foundation.

⁸² See, for example, the suggestion that services integration proceed through a "cluster" strategy that begins with collaboration within groups of agencies and programs that offer very similar kinds of services, and gradually expand to bridge these clusters over time. A. Kahn and S. Kamerman, *Integrating Services Integration: An Overview of Initiatives, Issues, and Possibilities* (New York: National Center for Children in Poverty, 1992).

⁸³ Interview with Jane Knitzer (1998).

identified best practices from the field and pinpointed model programs that used them.⁸⁴ Others sought to translate the emerging innovations to a popular audience.⁸⁵ More and more intellectuals and practitioners latched onto the emerging knowledge base and examples of model programs, and began to spread the word in the field and the media about the successes of the new programs.

As the participants in the issue network began to try to replicate these early successes, however, many of the practitioners began to run into difficulty sustaining their new efforts in isolation within the existing human services system. Many attempts to make service delivery practices more family-friendly and to pull services together within and across agencies encountered obstacles in the existing statutory, organizational, and fiscal systems that authorize, oversee, and fund the delivery of services.⁸⁶ Some attempts to create comprehensive, full-day early education services by combining half-day Head Start programs with child care services, for example, foundered on differences in program standards, facilities requirements, staff pay rates, and other differences between the two types of programs. A number of the model programs highlighted in the technical assistance documents and the popular media were no longer operating several years after their inception.⁸⁷

As reform proponents gained hands-on experience in communities, they also began to find that service-based strategies alone were insufficient to address the underlying causes of children's problems. Individual relationships -- between an adult and a child or adolescent, or between a front-line worker and a client -- appeared to have more of an impact on how well children and families fared than access to human services did. In many very impoverished communities, moreover, mere coordination efforts to link services together and to connect families with services failed to help, because many services were simply not available, and those that were did not feature supportive one-on-one relationships.⁸⁸

⁸⁴ For example, Stroul and Friedman, *A System of Care*; Center for the Study of Social Policy, *A Framework for Child Welfare Reform*.

⁸⁵ A good example is Lisbeth Schorr's *Within Our Reach: Breaking the Cycle of Disadvantage*.

⁸⁶ The existing system's accounting and reporting requirements, as well as staffing patterns, for example, often force families with multiple problems to apply to several separate programs and agencies for assistance, and then to encounter "multiple, unrelated professionals, working to distinct purposes, under different procedures, and out of different...locations." Center for the Study of Social Policy, *A Framework for Child Welfare*, p. 7.

⁸⁷ On the demise of many of the early model programs in the context of the existing system, see Schorr, *Common Purpose*, Chapter 1.

⁸⁸ This paragraph draws heavily on J. Walsh, *The Eye of the Storm: Ten Years on the Front Lines of New Futures*, (Baltimore, MD: Annie E. Casey Foundation, n.d.), pp. 6-7. As one practitioner observed, "Our case managers'.... job was to refer young people to services, and from the beginning they weren't referring much. They found there wasn't much out there to refer kids to. Most services weren't culturally sensitive, and most were about 'treatment,' and the case managers did not see that as what these kids needed." Interview with Don Crary, Executive Director, New Futures for Little Rock (AR) Youth, in Walsh, *The Eye of the Storm*, p. 7.

2. Focusing on Outcomes⁸⁹

By the end of the 1980s, the difficulties of taking effective programs and services to scale under the existing human services system prompted many participants in the issue network to consider changing key elements of the system itself. None of the participants in the network, however, had a clear sense of what a new system might look like in practice.⁹⁰ They had only general principles to describe what it would entail at first.⁹¹ The design of the new system emerged gradually, as the intellectuals and the practitioners continued their exchange of ideas and best practices, working from principles to practice techniques to systemic implications.

One of the critical forces that motivated the development of new ideas about systemic change, and simultaneously focused legislative and media attention on the agenda, was an increasing focus in the late 1980s and early 1990s on the poor outcomes that many disadvantaged children and families experienced in life. School reforms in a few states -- most notably the court-ordered Kentucky Education Reform Act of 1990 -- required that school districts track specific measures of children's achievements, and achieve specified improvements in aggregate outcome measures over time. Some of the intellectuals in the human services issue network began to work closely with educators who had been developing outcome measures and approaches to tracking them. Around the same time, the Casey Foundation began funding state-level children's advocacy organizations to compile the KIDSCOUNT report, which tracks children's outcomes in every state.

Service providers, community members, and program managers generally appreciated the KIDSCOUNT initiative, because it gave them a systematic portrait of children's needs, which they could use to press state legislatures and Congress for more funding for social programs. They were uncomfortable, however, when the proponents of systemic reform and their allies in the education field presented outcome measures as a tool for holding programs and agencies accountable for their performance. Using outcome measures in a system of accountability would entail applying concrete consequences to programs, agencies, or collaborators based on whether they could achieve better outcomes for children and families. This prospect struck many practitioners as a way to penalize service providers and recipients alike for their inability to counteract difficult social conditions that were largely beyond the influence of the human services.

⁸⁹ This sub-section draws heavily on interviews with Frank Farrow of the Center for the Study of Social Policy (1998), and with Phyllis Rozansky, former Executive Director of the Missouri Family Investment Trust, and currently an independent consultant (1998).

⁹⁰ Doug Nelson, President of the Casey Foundation, observed, "We all assumed that somebody somewhere know more of the answers to the questions about what a new comprehensive, community-based, integrated support system really looked like.... And we were wrong." As quoted in Walsh, "Community Building in Theory and Practice." As a result, practitioners had to "conceptualize a new system without readily available models.... [because] the state of the art in children and family services consist[ed] of some elements of proven effectiveness, others that [we]re extremely promising, and only a beginning sense of how these [could] best be combined into a comprehensive local and state wide service system." Center for the Study of Social Policy, *A Framework for Child Welfare Reform*, p. 28.

⁹¹ The early literature proposing systems of care for children's mental health "was only a rough blueprint for change" -- a vision and corresponding values. "[T]o give substance to that blueprint, a broad range of very concrete organizational, training, service, and fiscal strategies developed." See Knitzer, "Children's Mental Health: Changing Paradigms and Policies," pp. 221, 228.

Reacting to these concerns, the intellectuals scaled back their initial ambitions about accountability -- at least for a time. Instead they encouraged state and local practitioners to work together across programs and agencies to identify the outcomes that they all wanted children and families to achieve. In other words, they sought to use outcomes as an initial point around which to convene would-be collaborators, rather than as a tool to measure their accomplishments. The process of identifying outcomes and then data indicators to measure their achievement became a vehicle for initiating conversation, and eventually collaboration, across different disciplines and agencies. Discussing outcomes enabled some practitioners who had previously been divided by agency lines and programmatic "turf" to begin talking with one another about their common aims for children and families in broad, uncontroversial terms. The language of outcomes enabled public officials to bring service recipients, business and civic representatives, and other "lay citizens" into discussions about what human services agencies were trying to achieve. A handful of leading states and communities were able to use such a process to develop comprehensive lists of outcomes, or "core results," and data indicators to measure their achievement. They then designated these outcomes as overarching goals for all agencies, programs, and collaborators that serve children and families to work toward.⁹²

3. Governance Changes

To achieve a direct impact on children's outcomes, reformers in disciplines such as child welfare, children's mental health, and juvenile corrections sought to increase the availability of preventive services, which assist families before they suffer crises and develop severe problems.⁹³ To make preventive services accessible to families not already identified by these "deep end" systems, reformers sought to locate them in community-based settings, rather than in the centralized offices of public social services agencies. Because of the complexities of service delivery, preventive services are more effective if they are specially designed to connect with existing neighborhood resources, such as churches, schools, parents' groups, and social networks.⁹⁴ Decisions about service priorities and about the administrative, organizational, and fiscal arrangements that undergird them therefore needed to be customized to take local conditions into account, rather than being dictated as uniform state regulations.⁹⁵

Focusing the work of multiple agencies on children's outcomes, and offering preventive services that could respond to local needs, were difficult goals to achieve under the existing categorical, bureaucratic system. Mere changes at the margins of the existing system, such as new services

⁹² Some of the leading states and communities that worked most closely with the intellectuals in the issue network described here include Vermont, Georgia, and Washington, as well as the school systems in Kentucky and San Diego. Another prototypical set of outcomes, the Oregon Benchmarks, developed independently of these initiatives in the late 1980s. Interview with staff of the Center for the Study of Social Policy (1998).

⁹³ Preventive services not only help to alleviate stress and suffering in those families, but can also save money, since they tend to be considerably less expensive than "deep end" services for families in crisis, such as out-of-home placements. See, among others, Child and Family Policy Center, *Investing in Families, Prevention, and School Readiness: A Framework Paper* (Des Moines, IA: Author, 1993).

⁹⁴ See, for example, J. Wynn, J. Costello, R. Halpern, and H. Richman, *Children, Families, and Communities: A New Approach to Social Services* (Chicago: Chapin Hall Center for Children, 1994).

⁹⁵ This logic is almost an article of faith among many intellectuals in the reform network. My formulation of it here relies most directly on C. Bruner, *Realizing a Vision for Children, Families, and Neighborhoods: An Alternative to Other Modest Proposals* (Des Moines, IA: National Center for Service Integration, 1996), n. 69.

or collaboration between closely related agencies, had proven inadequate to make a lasting impact on children's lives. Community advisory committees and citizen oversight boards lacked the clout to redirect agency resources to address local priorities. Local customization of service strategies and the allocation of resources to support them therefore required that local decision-making become a central piece of a redesigned human services system.

The intellectuals therefore began to promote the idea that state and local governments could create broad new decision-making bodies whose authority and expertise transcended those of existing public agencies and community organizations. Practitioners in the field began to recognize that such collaborative governance bodies, incorporating both public agency representatives and community members, could work to identify outcomes and direct resources toward specific strategies to achieve them.⁹⁶

The intellectuals stressed that the new governance entities should include representatives from service providers and various public agencies, as well as service consumers, community residents, citizens, and business representatives. The latter types of "lay participants," they argued, could help limit self-dealing by the providers and public agencies, and foster accountability to service recipients and the general public. As Chapter Three indicated, community or county-level governance collaboratives could identify local needs and priorities, and direct resources to address them. A state entity could hold the community collaboratives accountable for specific outcomes, and work to build local capacity to achieve those outcomes.⁹⁷

The intellectuals encouraged the practitioners interested in creating governance collaboratives to start with general principles such as prevention and comprehensiveness, and to convene potential partners by appealing to the outcomes that they all wanted to achieve for children and families. Once they had a basis for working together, they could begin to develop their own service strategies based on local priorities, and later revise their strategies based on experience.⁹⁸

⁹⁶ "It is difficult to envision an effective use of cross-sector outcomes in the absence of a governing body representing the major agencies, institutions, and interests within a community, because no one agency can achieve most of the core outcomes on its own." L. Schorr, with F. Farrow, D. Hornbeck, and S. Watson, *The Case for Shifting to Results-Based Accountability* (Washington: Improved Outcomes for Children Project/Center for the Study of Social Policy, 1995), p. 14. For other helpful articulations of the virtues of local governance for a community-driven human services system, see Center for the Study of Social Policy, *A Framework for Child Welfare*; Center for the Study of Social Policy, *Creating a Community Agenda: How Governance Partnerships Can Improve Results for Children, Youth, and Families* (Washington: Author, 1998); R. Chaskin and S. Garg, *The Issue of Governance in Neighborhood-Based Initiatives*, Discussion Paper (Chicago: Chapin Hall Center for Children, University of Chicago, December 1994). Early examples of governance initiatives in the field include the Chatham-Savannah (Georgia) Youth Futures Authority, the Knox-Schuyler Community Partnership in Missouri, the county Commissions on Children and Families in Oregon, and Maryland's county-level Local Management Boards.

⁹⁷ The formal state role could include: providing resources, setting standards that permit local flexibility and innovation, monitoring whether the Community Partnerships achieve them, providing technical assistance and building local capacity, and negotiating the terms of decision making authority that each community collaborative could exercise. Stroul and Friedman, *A System of Care*, p. 116.

⁹⁸ "States and communities may revise and adapt the model to conform with their needs, environments and service systems.... The model must...be regarded as flexible, with room for additions and revisions as experience and changing circumstances dictate." Stroul and Friedman, *A System of Care*, p. xvii.

4. Building the New System from the Ground Up

Local governance was the threshold concept that pushed the reform agenda beyond creating and replicating model programs and other isolated attempts to improve services at the front line.⁹⁹ If community governance entities were to reshape the design and delivery of services for children and families across a variety of agencies and programs, reformers reasoned, then new approaches to programming, budgeting, accountability, and evaluation were also necessary.¹⁰⁰

What these new approaches might look like in practice is only now starting to become clear, as leading states have finally begun to grapple with the nuts and bolts of redesigning systems. Various states passed legislation or issued Executive Orders in the early and mid-1990s that gave local governance collaboratives responsibility for assessing local needs, and then for designing and implementing comprehensive, preventive services for children and families to address those needs.¹⁰¹ In doing so they recognized that the public agencies administering the various implicated services would need an interagency vehicle at the state level to negotiate with the local collaboratives (e.g., a state Family Policy Council or Children's Cabinet). Some of the legislation and Executive Orders acknowledged that flexible funding might be necessary to finance the service delivery plans that the local collaboratives devised, and accordingly provided for new fiscal arrangements.¹⁰² Finally, state legislators and top administrators needed some means to hold the local governance collaboratives accountable, while still granting them flexibility in service planning and delivery. Hence legislation in many states requires the state and local collaboratives to agree on a way to measure changes in the well-being of children and families over time.¹⁰³

Reformers in some states have begun to try to link these systemic innovations together. An approach emerging in a few states is to encourage the state and local collaboratives to come

⁹⁹ This point and the next three paragraphs draw heavily on an interview with Phyllis Brunson at the Center for the Study of Social Policy (1998). Of course the sequence of conceptual innovations portrayed here necessarily glosses over a number of misdirections, puzzles, and dilemmas encountered in the process of development. (Such are the hazards of recounting complicated history so cursorily.)

¹⁰⁰ See Schorr, *Common Purpose*; Center for the Study of Social Policy, *A Framework for Child Welfare Reform*; D. Nelson, "Speech Given at the Reforming Systems, Reforming Evaluation Conference," September 28, 1994 (mimeo).

¹⁰¹ Some leading examples include Georgia's legislation that created a state Family Policy Council and authorized Community Partnerships (passed in 1995); Minnesota's legislation that created the Family Service Collaboratives (1993); Missouri's Executive Order creating the state Family Investment Trust and Community Partnerships (1993); and Oregon's House Bill 2004, which created the Commissions on Children and Families (1993).

¹⁰² E.g., Missouri devised a consolidated, cross-agency budget strategy for Caring Communities; some legislators in Oregon failed in an attempt to block grant some federal Title XX funds to the county Commissions on Children and Families (House Bill 3180); Iowa and Maryland permit county collaboratives to retain savings they achieve by using preventive service strategies in place of more expensive crisis measures such as out-of-home placement.

¹⁰³ E.g., Georgia's state Policy Council asks their Community Partnerships to commit to achieving five "core results" (healthy children, children ready for school, children succeeding in school, strong families, self-sufficient families), and to measure 26 benchmarks (data indicators for each core result). See Georgia Policy Council for Children and Families, *A Framework for Improving Results* (Atlanta: Author, November 1994). Missouri's Family Investment Trust asks their Community Partnerships to improve six core results (parents working, children and families safe, children and families healthy, children ready to enter school, children succeeding in school, youth ready to enter productive adulthood), measured by 19 benchmarks. See Philliber Research Associates, *Using Benchmarks to Chart the Progress in Caring Communities* (St. Louis, MO: Author, n.d.).

together to establish formal partnership agreements that they negotiate with one another. In the negotiation process, the state and local collaborators establish the terms on which the state will grant the locals regulatory and fiscal flexibility in return for a commitment to measure and track changes in specific outcomes for children and families.¹⁰⁴

As Chapter Three implied, the outline of a potential new system of collaborative, community-based, outcomes-accountable human services is already emerging from these piecemeal developments. Pieces of this system draw on past policy ideas, such as Community Action and Model Cities. Local collaboratives, for example, undertake community planning to coordinate programs. At the same time, other aspects of the emerging system constitute explicit attempts to transcend past policy ideas and improve on the limits of the New Deal/Great Society system and the bureaucratic provisions created by the administrative and programmatic changes of the 1960s.

The first is the formal emphasis on pursuing measurable gains in efficiency, in the form of shared accountability for achieving mutually agreed upon outcomes that indicate how well children and families are faring. Accountability gives the emerging system some potential to improve on the limited impact that past reforms have had on the effectiveness of services and the well-being of children and families.¹⁰⁵

The second is the explicit attempt to build the capacity of local collaborators to capitalize on the new authority and flexibility that the states are beginning to grant them. The emphasis on capacity building and technical assistance from a central resource -- in this case, the state -- sets current systemic reforms apart from many previous experiments with local planning and community control of resources. The War on Poverty, Model Cities, and the federal services integration projects of the 1970s, for example, all lacked a clear central mechanism (in their case, at the federal level) to help local practitioners understand the full range of program resources that were at their disposal.¹⁰⁶ Without consistent efforts to improve the knowledge of the local collaborators in the emerging system, the community governance entities will lack information about what kinds of resources they can influence, and about what kinds of strategies have proven effective elsewhere.

¹⁰⁴ See, for example, W. Potapchuk, *Managing the State-Local Negotiations on "Vision to Scale" in the State of Maryland: A Protocol* (Washington: Program for Community Problem Solving, March 1997); "Proposed Community/State 'Terms of Agreement' Negotiation" (Georgia Policy Council, mimeo, n.d.). On the general concept of partnership agreements and what some of the specifics might look like, see Center for the Study of Social Policy, *Trading Outcome Accountability for Fund Flexibility*, Draft (Washington: Author, December 29, 1995).

¹⁰⁵ One reformer told me, for example, that "We explicitly sought to avoid Model Cities, because it lacked accountability for outcomes and mechanisms to build local capacity. We wanted local involvement and local decision making, but we didn't want 'authority' without accountability and capacity." Interview with Phyllis Rozansky (1998).

¹⁰⁶ One former federal official who had worked at HEW in the 1970s observed, "One of the weaknesses of CAP [the federal Community Action Program] and Model Cities was that they didn't build local capacity.... [N]o one in the field knew enough across the different programs to request a waiver. I'm very conscious of the need to build local capacity to enable communities to request waivers and program pieces from the states and the feds. Without local expertise and initiative the new system won't work." (Interview with Tom Joe, Center for the Study of Social Policy, 1998.)

Finally, the opportunities that the state-local partnership agreements create for iterative learning and for revising responsibilities between central and local actors holds the potential to solve many problems that plague the existing human services system despite past reforms. Overly enthusiastic community groups or dominant local elites can be checked by state oversight or peer influence from neighboring community governance entities. If the state tries to impose procedural requirements that stifle local creativity, the successful governance collaboratives can point to their own proven abilities to achieve the outcome measures of accountability, and insist on retaining a measure of self-direction. The provision that the state and local collaboratives meet regularly to assess progress and adjust their partnership responsibilities to enhance the prospects for future improvements, finally, may enable the system to adapt to address other difficulties that may arise.

This final provision sets the new human services system apart from all the different incarnations of its static predecessor (whether oriented toward pure categoricalism, community control, or bureaucratic reform). What makes the emerging human services system new, then, is not the provision for local discretion or community control. Instead, the true policy innovation lies in the state-local partnership agreements, capacity-building commitments, and outcome-based accountability mechanisms that together make possible the master tool of continuous learning. As a consequence, the system possesses the flexibility to address differences in local conditions and to adapt to new developments on an ongoing basis.

While it remains latent in states' actual practices thus far, this dynamic quality is the critical distinguishing characteristic of the emerging system: The principle of iteratively revising policy in light of challenges encountered in the field can be built into the regular operation of the system itself. As a result, despite the enactment of legislation and Executive Orders in leading states, the design of the system is still evolving. In fact, if current plans in leading states hold, the design will continue to evolve on an ongoing basis even once the system is fully in place, through built-in provisions for continuous learning and improvement.¹⁰⁷

C. Analysis

The coherence of this description of the emerging system belies the piecemeal, back and forth way in which it has developed and continues to take shape. Until the early or mid-1990s, reformers in the policy network rarely recognized the various policy tools they were experimenting with as pieces of a new system, even though many of them frequently referred to the need for "systems change." Reformers in some communities and states developed different pieces of an agenda to change the system without knowing exactly what the new system would look like.¹⁰⁸ Other practitioners were simply experimenting with individual programs or policy tools at first, without an explicit ambition to change the system.¹⁰⁹ Some aspects of their efforts evoked or required the development of others (e.g., family preservation is a high-risk

¹⁰⁷ On the potential for a human services system to become a learning organization, see S. Gardner, "Afterword," in L. Adler and S. Gardner (eds.), *The Politics of Linking Schools and Social Services* (Washington: Falmer Press, 1994).

¹⁰⁸ Such was the orientation of child welfare reformers in Missouri in the mid-1980s. Interview with Phyllis Rozansky (1998).

¹⁰⁹ Child welfare reformers in Maryland began their work from this perspective. Interview with Donna Stark (1998).

intervention, and proponents promised that it would improve outcomes for children, so policy makers demanded to know what kinds of outcomes it was producing).¹¹⁰ Other pieces failed to work without additional changes to the existing system (e.g., making comprehensive services available to all families that need them is difficult without decategorized funds to pay for them).¹¹¹ Only after many informal experiments with different program pieces and policy tools did the practitioners and intellectuals have a sense for what overall systemic reform might look like.

Until the last few years, in fact, no one in the issue network had a clear vision of the precise connections among all of the disparate programs and policy tools that they had been working to develop.¹¹² Hence while informal collaboration and model programs developed at the margins of the existing system during the 1980s, no one in the network articulated a distinct vision of a new policy or system until quite recently.¹¹³

In consequence, by the mid-1990s a handful of states had converged on similar approaches to the new system by borrowing from one other and adapting techniques that appeared successful, but not by adopting a single system design that the intellectuals had conceived in the abstract. When the practitioners sought assistance from the intellectuals in the network, by attending a conference or reading a monograph, they received general recommendations, exhortations, and suggestions about the collaborative process, but not an overall model of a new system.¹¹⁴ The intellectuals could only identify the piecemeal innovations in the field that comported with their sense of what constituted movement in the right direction, and provide publicity, funding, and encouragement. They pointed to these best practices, and suggested that the practitioners adapt them to particular local and state circumstances, but rarely peddled an explicit set of arrangements.

Of course there were occasional attempts to design a particular model and impose it from above. The most notable was the Children's Initiative of the Pew Charitable Trusts. In the early 1990s, Pew designed a universal system of family-supportive services that would be available to all children and families in welcoming, user-friendly family resource centers located in neighborhoods. It commissioned an array of working papers outlining specific techniques for service delivery, financing, administration, governance, and other system components, drawing on the work of the intellectuals in the network, as well as experts from business management and related fields.¹¹⁵ Pew gave preparation grants to a handful of states whose applications appeared promising, with the intention of offering millions of dollars for implementation to a few states

¹¹⁰ Interview with Donna Stark and Ira Barbell (1998).

¹¹¹ Put more generally and elegantly, "[E]ffective services cannot affordably be brought to scale without the reconfiguration of existing systems' organizational structures and without the redeployment of existing system resources." Nelson, "Speech at the Reforming Systems, Reforming Evaluation Conference," p. 4.

¹¹² Interviews with Steve Preister (1998) and Phyllis Rozansky (1998).

¹¹³ E.g., the Finance Project developed model legislation for a community-driven, family-focused human services system in 1996.

¹¹⁴ See, for example, the "spiral of success" described in Melaville and Blank, *Together We Can*. As Judy Chynoweth described the Policy Academies that the Council of Governors' Policy Advisors offered to teams of state officials, "The states consistently said the most valuable thing about the Family Policy Academies was coming together as a team. They consistently rejected...the substantive content [of the Academies]." (Interview, 1998.)

¹¹⁵ The Center for Assessment and Policy Development in Bala Cynwyd, PA, conducted much of the planning and published the working papers.

that it planned to select as finalists. Before selecting the finalists, however, Pew's Board expressed doubts about the capacity of the new system outlined in the working papers to supplant the existing human services system. The Board ultimately decided not to fund the full initiative, much to the chagrin of the practitioners in the states who had hoped to become finalists.¹¹⁶

The fate of the Pew Children's Initiative may simply point to the vagaries of funding and follow-through in the capricious world of private philanthropy. Viewed in light of the process of bootstrapping systemic reform, though, it is a telling example of the limitations of fixed, uniform policy solutions to human services problems. While the design of the Children's Initiative drew on best practices emerging in the field, Pew prescribed a recipe and then tried to select optimal settings in which to fund its implementation. More sustainable reform efforts, in contrast, have built an organic connection between particular political and administrative settings and the operational specifics of the new system, by encouraging practitioners grounded in those settings to experiment with various new policy tools and programs, and adapt them to state and local circumstances. The Casey Foundation, for example, encourages flexibility and variation in the systemic reforms that it supports in different states and communities -- both across sites and over time in the same site.¹¹⁷ Other analysts suggest similarly that the design of effective programs for children and families cannot be directly replicated based on the specific successes of one site or another, but rather must be customized in a way that meshes with particular state and local contexts.¹¹⁸

The design and implementation of the emerging human services system have shown the most promise when practitioners and intellectuals have worked together to identify general ideas and principles, and then operationalized them through trial-and-error and iterative revision in practice. Intellectual developments have tightly tracked experimentation in the field, and implementation has been part and parcel of policy design. Policy innovations have borrowed from past policies and experience, but injected new ideas from ongoing practice as well, in a process that has been simultaneously bottom-up and top-down. In the course of this process, the participants in the issue network and other policy makers in the innovating states have come to a

¹¹⁶ Pew nevertheless awarded communities in two semi-finalist states (Georgia and Minnesota) small amounts of funding to implement pieces of the model, primarily the service delivery piece consisting of family resource centers. This account of the history of the Initiative draws on interviews with practitioners in participating states, as well as Krauskopf, "Overcoming Obstacles to Implementing Reform of Family and Children's Services."

¹¹⁷ As their Executive Director, Doug Nelson, argues, "The idea that you can develop a standardized template for this kind of fundamental political and social change is...the imposition of a kind of bureaucratic daydream on reality." Quoted in Annie E. Casey Foundation, *The Path of Most Resistance: Reflections on Lessons Learned from New Futures* (Baltimore, MD: Author, n.d.), p. 19. Notably, Casey has very recently chosen to follow its own advice, by refocusing its grant making from state governments to neighborhoods, in response to frustration with the limited systemic reforms that states have actually accomplished thus far.

¹¹⁸ Schorr, for example, argues that while the wheel (the new system) need not be reinvented in every state or community, it does have to be pieced together or constructed anew in each site. Schorr, *Common Purpose*. Other experts on family-centered services offer similar observations: "Rather than thinking of systemic reform as the construction and replication of a single reform model, [reformers] should focus on building many approaches, each of which is embedded in communal problem-solving." S.L. Kagan, S. Goffin, S. Golub, and E. Pritchard, *Toward Systemic Reform: Service Integration for Young Children and Their Families* (Falls Church, VA: National Center for Service Integration, 1995), p. 68. See also H. Weiss, "From the Director's Desk," *The Evaluation Exchange* IV(1), Harvard Family Research Project, 1998, p. 1.

new understanding of what a human services system can look like and -- ultimately -- of what it can and ought to achieve (i.e., better outcomes for children and families).

VI. Conclusion

At first glance, the history of human services policy making from 1960 to the present illustrates an evolution of policy ideas over time. The ideas that inform the emerging system grew out of the experiences that advocates, administrators, service providers, consumers, and policy analysts had with past policies and reforms. Prototypes of community control, which appeared in the War on Poverty and Model Cities, and of bureaucratic reform, which drove the services integration experiments of the 1970s, are reflected in current thinking about systemic reform.

The historical details recounted here also show, however, that current systemic reforms extend and modify these old policy ideas in crucial ways, thereby setting themselves apart as a policy solution. The reforms of the 1960s, along with their successors in the 1970s and early 1980s, sought to change the administrative system from the top-down (through legal reforms and the creation of new programs) or the outside-in (community action, contracting out). Current systemic reforms, in contrast, worked from the bottom-up. They began by trying to change the principles of service delivery, and gradually worked backward to consider corresponding changes in the rest of the system.

Both the process and the outcome of current reform efforts illustrate that the policy represented by the emerging system was not designed in advance as a recipe. The limits of past policies inspired a search for solutions, but did not dictate the choice of alternatives. Nor did systemic reformers simply borrow their organizational designs from other sources, either in the private sector or in other countries.¹¹⁹

Instead, the intellectuals and practitioners in the national issue network undertook a self-reflective, bootstrapping approach to develop new ways to solve a particular problem, and ultimately came to seek fundamental changes in the human services system that past policies had bequeathed them.¹²⁰ Rather than first identifying a coherent, finished policy solution and then trying to enact and implement it, proponents of human services reform developed the emerging system by reflecting back and forth between -- even integrating -- practice and conceptualization. They first extrapolated from past experiences, developed principles of best practice, and then implemented and revised prototypes of new policy tools in response to practical exigencies that

¹¹⁹ Recent parallel innovations in the structure of private corporations had only a general impact on reformers' thinking. Both private sector re-engineering and the emerging human services system feature a central role for teams, to be sure, as well as local decision-making informed and monitored by a central authority, and human services reformers certainly recognized the value of the ideas and principles of corporate restructuring as they tried to address similar problems facing the public sector. They did not, however, hire the same organizational consultants, or borrow many specific design strategies. Interview with Phyllis Rozansky (1998). Two of my other informants agreed: "The team structures in systems reform emerged largely because...[agencies] created joint interagency problem-solving teams to solve particular problems -- not because people deliberately set out to replicate or transplant matrix management from the firms." Interview with Ira Barbell and Donna Stark (1998).

¹²⁰ On the concept of bootstrapping reform, see C. Sabel, "Bootstrapping Reform: Rebuilding Firms, the Welfare State, and Unions," *Politics and Society* 5(7), 1995.

practitioners encountered in the field. The key ideas that now appear borrowed from recent reform attempts -- local governance from the War on Poverty, and negotiated partnerships between central and local actors from HEW's services integration projects -- found specific roles in the new system only over time, as reformers worked backward from trying to solve problems at the front line to address the systemic obstacles hindering their resolution.

By pursuing changes in front line practices, adding new system components, and then linking reforms across different programs and agencies, reformers revised their initial policy ideas to respond not just to legacies from the past but also to their hands-on experience in implementing those ideas. The piecemeal history of the development of the emerging system, and the provision for ongoing adjustments in its design, indicate that it is part of a continuously developing stream of ideas about how to address problems in the human services. Even at this point, the leading states that have codified the principles of collaborative adjustment in legislation have adopted only some of the policy tools of the emerging system in practice. Very few of those tools are operating on a state wide basis yet. The master tool of collaboratively adjusting the division of labor in the system is at best nascent and implicit.

If the ideas about system design described in Chapter Three continue to bear fruit in practice and policy, nevertheless, this process of groping along toward a series of related goals may eventually generate a whole sale transformation of the system of public administration. Should a full-fledged policy of collaborative adjustment be institutionalized, our understanding of policy learning and policy change will need to be revised to encompass the iterative process described in this chapter. Policy can change significantly not just as a result of a change in political coalitions and a "big bang" of legislation, but also in response to a series of educated guesses and trial-and-error experimentation.

This stylized history of human services reforms over the past four decades thus suggests three conclusions about the concept of policy learning introduced in the Theory Chapter. First, as the notion of policy feed backs suggests, reformers may try to adapt policies over time in response to the perceived shortcomings of received programs and to changes in social and political conditions. Second, in contrast to models of lesson-drawing and diffusion-innovation, similar organizational innovations may emerge in parallel sectors or countries, in response to similar problems. Isolated attempts to resolve similar dilemmas may produce comparable developments that appear to be imitative responses, but which are more accurately attributable to self-reflective efforts to solve the same kinds of problems. Third, as the process of self-reflective bootstrapping suggests, policy learning can take place not just in single instances separated by long periods of time, but may also occur iteratively in the short run. Policy designs can evolve in response to lessons learned in implementation trials.

The following chapters turn to empirical developments in leading states, to describe how this national process of policy development has taken hold in different ways. As we will see, systemic reforms differ from state to state depending on how the new ideas developed by the issue network have been interpreted and adapted. Just as this chapter has demonstrated that policy learning can occur in the short run, the following chapters on the states suggest that policy changes based on such learning are more likely to be institutionalized when two change

strategies are present: opportunities for iterative adaptation of policy design, and multiple political leverage points.

Chapter 5: Case Studies

The dissertation turns now to examine five leading states' attempts to develop and implement the policy tools of collaborative adjustment for human services. This chapter begins with a discussion of the rationale for selecting the particular cases under review, and then lays out the analytic framework used to present each case. Paired comparisons of systemic reform initiatives in Georgia and Missouri, Iowa and Minnesota, and Oregon follow. The conclusion of the chapter synthesizes the findings from the cases, by comparing and contrasting their strengths and weaknesses, and proposes a hypothesis about the conditions under which states are likely to adopt and institutionalize collaborative adjustment.

I. Research Design

As a complex, emerging policy innovation, systemic human services reform was difficult to define, much less measure, when this research began in 1995. As the history in Chapter Four recounts, at that point even the most creative and visionary human services practitioners were only beginning to recognize the systemic connections among the various policy tools that they were developing.

In consequence, the initial aim of the research was to answer the first research question posed in Chapter One, by describing the design of the emerging reforms. Given the preliminary, experimental state of new thinking and practice at that point, it made little sense to spend time studying states that were not attempting systemic human services reform, since they were unlikely to reveal many insights about emerging designs and possibilities. Only a small group of states had undertaken systemic innovations by then, so studying a cross-section of their initiatives seemed to offer a more fruitful way to advance both theory and practice than a more structured comparison of "matched pair" states. To understand fully what was emerging and why appeared to require detailed field research in several pioneering states, at both the state and local levels, to identify the overall vision for reform in each state, and to assess how it was or was not taking hold in communities.

I therefore selected my cases primarily based on the conceptual aims of their reform initiatives, and only secondarily according to geographic, political, and historical differences. I initially identified a number of leading states and the conceptual aims of their reforms in the course of conducting qualitative research for a different project that analyzed state-sponsored initiatives for children and families in all fifty states.¹ In addition to the five states examined here (Georgia, Iowa, Minnesota, Missouri, and Oregon), some of the other pioneers at that point were Maryland, North Carolina, Ohio, Washington, West Virginia, and Vermont. From this larger group of states, I identified those whose reform visions seemed broadest at the time, and whose accomplishments, the most advanced. Within that group, I opted for a combination of states that reflected a mix of policy histories, partisan control of the executive branch, and geographic

¹ For the findings from that research, see J. Knitzer and S. Page, *Map and Track: State Initiatives for Young Children and Families*, 1998 Edition (New York: National Center for Children in Poverty, 1998).

distribution. (For details on these factors in the case study states, see the introduction to each paired comparison.)

This research design proved a mixed blessing. On one hand, it yielded rich, qualitative characterizations of the origins and processes of systemic human services reform in five different states. It also helped realize the descriptive aim of the project -- offering detailed portraits of the policy tools and the developmental processes of a system of collaborative adjustment for human services. On the other hand, the research design created problems for the analytic aims of the project, because the cases were all selected based on the dependent variable. Without a set of mirror cases sampled on an independent variable, I could not generate strong claims about what factors cause states to adopt and institutionalize collaborative adjustment for human services. Instead, I have used the qualitative data from my field research to propose a hypothesis that might be tested in the future against alternative hypotheses. In particular, I suggest that states in which proponents of systemic reform create multiple political leverage points and opportunities to learn iteratively as they go are more likely to institutionalize a system of collaborative adjustment than are states in which these change strategies are absent.

This argument reflects common intuitions about political coalition-building and a feed back approach to learning under conditions of uncertainty, but it ignores many of the standard variables that social scientists often use to explain state policy innovations.² By recounting the case histories in detail, this chapter seeks to justify my choices about case selection and to support the hypothesis that my findings suggest.

II. Analytic Framework

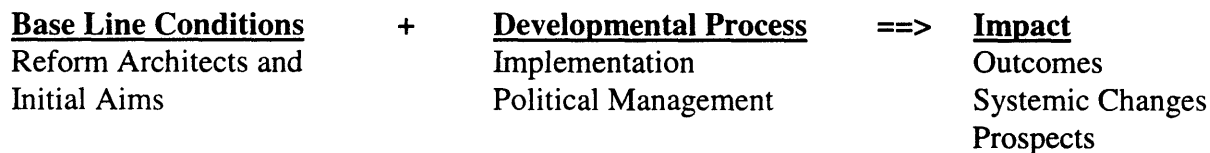
The case studies begin with an analysis of systemic reform initiatives in Georgia and Missouri. These states are paired for three reasons. First, they share a relatively stingy history of social provision. Second, the reform architects in both states initially held positions at the tops of the state human services agencies. Finally, their approaches to coalition-building were similar, in that the state-level reformers deliberately seeded local collaborative efforts in order to build a political constituency for interagency policy innovation.

² The most prominent standard variables include levels of economic growth and development. See, among others, R. Dawson and J. Robinson, "Inter-Party Competition, Economic Variables, and Welfare Policies in the American States," *Journal of Politics* 25 (May 1963); R. Hofferbert, "The Relation between Public Policy and Some Structural and Environmental Variables in the American States," *American Political Science Review* 60 (March 1966); T. Dye, *Politics, Economics, and the Public: Policy Outcomes in the American States* (Chicago: Rand McNally, 1966); M. Lewis-Beck, "The Relative Importance of Socioeconomic and Political Variables in Public Policy," *American Political Science Review* 71 (June 1977). Other standard variables used to explain state policy innovations are political, such as the extent of electoral competition between parties, partisan control of government, and public opinion. See, respectively, C. Cnudde and D. McCrone, "Party Competition and Welfare Policies in the American States," *American Political Science Review* 63 (September 1969); S.M. Morehouse, *State Politics, Parties and Policy*, (New York: Holt, Rinehart and Winston, 1981); R. Erikson, G. Wright, and J. McIver, *Statehouse Democracy: Public Opinion and Policy in the American States* (Cambridge: Cambridge University Press, 1993).

Reform initiatives in Iowa and Minnesota are then examined together, because both states have relatively generous traditions of social provision, although the origins of their reforms and their implementation approaches differ slightly. Iowa's reforms originated in an alliance between state legislators and local service providers. Legislation initially authorized community collaboration for the delivery of child welfare services in two pilot counties in 1987, and the state has gradually expanded the reform to cover most of the state by now. Minnesota's reforms benefited early on from substantial support in both the executive and legislative branches, and proponents of reform were able to pass legislation and fund over 50 local sites within two years. This hasty beginning ultimately created considerable confusion and limited policy makers' interest in adapting the design of the reforms over time, however.

Finally, the chapter describes two distinct, but closely related, systemic reform efforts in Oregon. Like Iowa and Minnesota, Oregon has funded a number of innovative programs for children and families in recent years. One of Oregon's systemic reform initiatives originated with legislative and community support, but encountered severe opposition from state agency staff. The other was entirely an executive branch initiative, and has gradually begun to gain adherents at the local level, though at this point it remains more a conglomeration of separate projects than a systemic, interagency reform effort.

To lay the groundwork for a consistent presentation of the findings from all five states, the following paragraphs outline an analytic framework that identifies the critical issues and information that each case highlights. The framework attempts to capture the development of each case of reform by describing its base line conditions and then tracking how they played out. In each case, charting the base line involves identifying the original **reform architects** and their **initial aims**. How these initial conditions played out depends in turn on the developmental process of reform, which depends on the approaches to **implementation and political management** that the architects used. Finally, each case study characterizes the impact of these change strategies in each state by describing their influence on the effectiveness of services (where data are available on the **outcomes** achieved for children and families), on the **systemic changes achieved** thus far, and on the **prospects** for institutionalizing the new system (as best I have been able to identify them). The following diagram captures the framework as it applies to each of the case studies:



Reform Architects: The framework emphasizes the role of reform architects in order to capture the indisputable importance of leadership in fostering and developing reform initiatives.³ The

³ On the general role of leadership in public administration, see P. Selznick, *Leadership in Administration* (New York: Harper and Row, 1957). On the role of leaders in bringing about management innovations, see R. Behn, *Leadership Counts* (Cambridge, MA: Harvard University Press, 1991); M. Levin and M.B. Sanger, *Making Government Work* (San Francisco: Jossey-Bass, 1994); M. Moore, *Creating Public Value: Strategic Management in Government* (Cambridge, MA: Harvard University Press, 1995).

descriptions of the reform architects in each case include who they were, what their back grounds were (including their links to the national issue network that has developed and promoted the idea of systemic human services reform), how long they occupied their positions, who their close allies were, and other details.

Initial Aims: Proponents of complex, uncertain reforms are more likely to succeed if they can be explicit about their aims, yet remain open-minded about the means to achieve them.⁴ In the case of collaborative adjustment for human services, however, both the means and the ends of reform were unclear when current systemic reform initiatives began.⁵ The initial aims of the reform architects in the states that I studied ranged from quite specific to fairly vague, yet all of them have been able to make at least some progress toward systemic reform. Some architects began, for example, with very broad target populations for their reforms (e.g., all children and families, or children in families with low-incomes), as well as very generic guidelines for the new community collaboratives' activities (e.g., "work together to improve outcomes"). Others targeted very narrow populations (e.g., children at-risk of out-of-home placement), or asked local collaborators to use specific interventions (e.g., school-linked health and social services).

Implementation: Whether reformers can improve on their vague initial aims or not depends largely on whether they create ways to learn new things over time about their aims and about the best means to achieve them.⁶ The creation of learning opportunities depends in turn on the implementation approaches they have adopted to try to achieve their initial aims. Reform architects in some states authorized sequential rounds of pilot sites to try out and refine the policy tools of collaborative adjustment, while others tried to implement a specific set of tools state wide from the beginning. The description of each state's implementation approach documents reformers' strategic thinking about pilot sites, as well as the impact of sites' implementation efforts on reformers' thinking and on the extent of political support for change.

Political Management: The need to focus on reformers' political management strategies should be obvious to students of social policy innovation, especially those in the human services. Political outreach beyond an initial group of reform proponents is essential, to cultivate elite allies among state policy makers, and to encourage implementers -- either from public agencies and established service provider organizations, or from other community-based organizations -- to participate in reform efforts.⁷ The descriptions of reformers' political management efforts in each case include their outreach strategies, whom they were able to form strong alliances with and how those alliances played out over time, who their chief opponents were (if any) and how they dealt with them, what opportunities they might have overlooked, and other related issues.

⁴ The business management literature encourages managers in all kinds of public and private organizations to pursue such a "tight-loose" approach to ends and means. See, for example, T. Peters and R. Waterman, *In Search of Excellence: Lessons from America's Best-Run Companies* (New York: Warner, 1982). For an application to public management reforms, see Moore, *Creating Public Value*.

⁵ As the history in Chapter Four indicates, what a collaborative, community-driven, outcomes-accountable human services system looked like was unclear ten years ago, even to proponents of systemic reform.

⁶ Behn, *Leadership Counts*; O. Golden, "Innovation in Public Sector Human Services Programs: The Implications of Innovation by 'Groping Along,'" *Journal of Policy Analysis and Management* 9(2), 1990.

⁷ See the suggestion that public managers need to "look upward to politics" as well as "downward to operations" in Moore, *Creating Public Value*.

Outcomes, Systemic Changes, and Prospects: As of yet, no state has created a fully operable way to hold local collaborators accountable for the results they achieve. Most states are still trying to gather data on all of their indicators of core results across a variety of local sites, though some have completed process evaluations of the sites that initially began experimenting with some of the policy tools of collaborative adjustment. Georgia and Missouri, however, are both in the midst of systematic assessments that identify changes in outcomes for children and families that have occurred in selected sites over the past several years. Each case study reports the findings on outcomes that have been produced thus far. Where outcomes are unavailable, the case studies describe the evaluation or self-assessment approaches being implemented.

While the lack of systematic outcome evaluation data across the cases is frustrating, it nevertheless detracts little from my hypothesis about the likely causes of successful adoption and institutionalization of collaborative adjustment. Recall the caveat from Chapter One: This study seeks to understand the development, design, and adoption of systemic human services reforms, rather than to evaluate their impact on the effectiveness of services and the well-being of recipients.

Each case study concludes with a summary of the systemic changes achieved thus far and the prospects for successfully institutionalizing the new system. These summaries draw on information I have gleaned from reading process evaluations and through recent follow-up interviews, but they remain, by necessity, speculative. Reforms in all five states remain incomplete and extremely vulnerable to a loss of momentum or stiff opposition. In discussing each one's prospects, I nevertheless attempt to distinguish those cases in which state and local stakeholders express more enthusiasm about the staying power and systemic impact of the changes achieved thus far from the cases in which reforms appear to enjoy less widespread support and influence.

III. Georgia and Missouri: Systemic Change Despite Weak Social Policy Traditions

A. Introduction to the State Policy Environments

This section describes systemic human services reforms in two states -- Georgia and Missouri -- that appear to offer somewhat counter intuitive cases of social policy innovation. Neither Georgia nor Missouri has a history of overly generous social provision for children and families. Aspects of the human services system that are within state control have generally gone under supported -- not in comparison to some very poor states, such as Mississippi, but certainly in comparison to other states in my study, such as Iowa and Minnesota. AFDC benefit levels in Georgia and Missouri, for example, have generally been anemic.⁸ Their child welfare systems

⁸ In January 1994, Georgia's maximum AFDC benefit level for a family of three was \$280; Missouri's was \$292; the corresponding benefit level in the median state was \$366. Committee on Ways and Means, U.S. House of Representatives, *Overview of Entitlement Programs: 1994 Green Book* (Washington: U.S. Government Printing Office, July 15, 1994), pp. 375-77.

have been even more under funded and weak than those in many other states.⁹ Aside from the rapid expansion of Georgia's new prekindergarten program, finally, neither state has traditionally spent much of its own money on subsidies to help poor families pay for child care and early education.¹⁰

While Georgia and Missouri share many of these general characteristics with a number of other states (for example, Florida and Tennessee, respectively), they have made innovative strides in recent years where many of those other states have not. Neither Georgia nor Missouri is a limiting case, of course, and I make no definitive claims about the binding impact of their relatively stingy policy histories, or about the modest levels of social capital that those histories either reflect or might have generated. Standard intuitions nevertheless suggest that neither state is likely to lead the nation in social policy innovation.

Confounding the pessimistic predictions that their policy legacies might inspire amongst advocates for children and families, both states have become pioneers in developing, adopting, and implementing the policy tools of collaborative adjustment for human services. My tentative assessments, moreover, give both of their efforts to institutionalize the new system a slight edge over those of two other states in my study -- Minnesota and Oregon -- whose policy legacies suggest they ought to be leaders in social policy innovation.

Limitations stemming from my research design prevent me from drawing any formal conclusions about the implications of these tentative findings for theories of policy change. These cases nevertheless contradict many common notions about social policy innovation. At the very least they suggest that a tradition of generous social welfare provision cannot predict a state's tendency to adopt and institutionalize the policy tools of collaborative adjustment for human services.

In an attempt to divine more proximate determinants of changes in complex public systems, the case studies of Georgia and Missouri that follow identify some factors that may critically influence the process and politics of adopting and institutionalizing a system of collaborative adjustment. In particular, systemic reform initiatives in both states originated with savvy state department heads who had held positions at or near the tops of state agencies for years. Their lengthy tenure and their ability to survive from one governor's administration to another's, helped them recognize the case load overlaps and duplications of effort across their agencies, and hence the potential benefits of systematic interagency collaboration. In addition, reform architects in both states began their innovation efforts at the state level, and then pursued deliberate strategies to cultivate capable, vocal allies in local communities, thereby creating multiple leverage points. At the same time, they did not prescribe the exact design of their

⁹ My impressions of the states' child protection systems come from interviews with advocates for children and with state officials responsible for those systems (Interviews, 1996). For a description of the difficulties that Missouri's system confronted over the past twenty years, see Center for the Study of Social Policy, *G.L. v. Stangler: A Case Study in Court-Ordered Child Welfare Reform* (Washington: Author, n.d.).

¹⁰ Georgia ranked twenty-third (out of 50) in the nation in its commitment to child care and early education in 1994, spending \$56.42 per child in the state -- largely because of its new state-funded prekindergarten program, funded with funds from the state lottery. Missouri ranked thirty-eighth in its commitment to child care and early education in 1994, spending \$35.85 per child in the state. See G. Adams and N. Poersch, *Who Cares: State Commitments to Early Care and Education* (Washington: Children's Defense Fund, 1996), pp. 80, 95.

systemic reforms. Instead, they encouraged informal collaboration at the community level at first, and then pursued larger changes in systems and policies after local actors had begun to develop their own understanding of how to work with one another and with the state in new ways to assist children and families. This gradual pace created opportunities for reformers at the state and local levels to learn from one another's experiences about what kinds of systemic changes would be relatively easy to achieve, and what kinds would require additional time and effort to design and implement.

B. GEORGIA¹¹

Georgia's state wide systemic reform efforts began with the creation of the Georgia Family Connection in 1991. Sponsored by the state Department of Human Resources and funded initially by private foundations and later by the state legislature, the Family Connection encourages informal collaboration among service providers, schools, community groups, and families at the community level to improve the lives of children and families. In 1995 the state created the Georgia Family Policy Council for Children and Families, a state planning and oversight body, and authorized it to select a number of Community Partnerships from among the local Family Connection sites. The Community Partnerships make formal commitments with the Policy Council, in which they agree to achieve six core results for children and families. In return, they are authorized to request waivers of state and federal regulations and funding provisions, as well as changes in state agency operations, in order to facilitate the implementation of comprehensive local plans to achieve those results. The state Policy Council provides technical assistance to help the Community Partnerships with local planning, service strategy development, outcome-based self-assessment, and requests for changes in government statutes, funding, and operations.

1. Architects: Savvy, Experienced State Administrators

The initiators of Georgia's current human services restructuring efforts headed key state agencies in the early 1990s under Democratic Governor Zell Miller: Hank Huckaby, Director of the Governor's Office of Planning and Budget; Jim Ledbetter, Commissioner of the state Department of Human Resources (DHR -- which includes a number of human services divisions); Doug Greenwell, Director of the Division of Family and Children's Services (DFCS -- within DHR); Russ Toll, Commissioner of Medical Assistance; and Werner Rodgers, the state Superintendent of Schools. All of them had held their positions for a number of years, since the previous gubernatorial administration, pursuing different types of reform within their own agencies.

¹¹ Many thanks to the many state and local officials in Georgia who spoke with me at length about their efforts. This study draws heavily on their remarks during interviews in 1996, 1997, and 1998, as well as on a number of publications of the state Family Connection office and the state Family Policy Council. These include: Georgia Policy Council, "How We Are Organized for Implementing the Framework for Improving Results," Atlanta, February 13, 1997, mimeo; Georgia Policy Council, *On Behalf of Our Children: A Framework for Improving Results* (Atlanta: Author, 1996); Georgia Policy Council for Children and Families, *Aiming for Results: A Guide to Georgia's Benchmarks for Children and Families* (Atlanta: Author, 1996); Georgia Policy Council for Children and Families, "Summary of Community Partnership Comprehensive Plans," March 28, 1997, mimeo; *Aiming for Results: Stronger Families and Healthier Children in Georgia: A Report About the Family Connection* (Atlanta: The Family Connection, January 1996); The Children's Initiative, *Together on a Bold Journey: A Strategic Plan for Children and Families in Georgia* (Atlanta: Author, November 1994).

Moreover, they were all conscious that the political climate in Georgia and across the country meant that public funding for human services and education was likely to be more limited than it had been in the past. So they were sought ways to make their agencies more effective at improving children's opportunities and families' life chances, without spending more money.

In the mid-1980s, Ledbetter at DHR and Greenwell at DFCS had sought to develop a child welfare system that could support and serve children within their own families, rather than by removing them from their homes, and a public assistance system that would reduce the number of families living in poverty by providing child support, social services, and help finding employment. Their intent was to encourage local partnerships among the providers of various services, so as to offer a range of supports to families involved with the child welfare or public assistance systems. In the Department of Education, meanwhile, traditional education reforms (e.g., more spending on teacher salaries, books, facilities, and other infrastructure) had failed to achieve major improvements in student attendance and performance. Superintendent Rodgers and his advisors began to look for alternative reform possibilities. They realized that the external pressures, family problems, and other issues facing children were hindering their capacity to learn in school -- sometimes by preventing them from attending in the first place.

These reflective, creative administrators cobbled reform ideas together from a variety of sources. Rodgers, for example, chaired the national Council of Chief State School Officers in the late 1980s, when it began to encourage states to develop new approaches to services integration. He and Ledbetter attended several national conferences where they exchanged ideas with officials from other states (including Missouri), as well as federal education and human services officials.

While these state actors played a critical role in getting the state wide initiative off the ground, they drew on the experience and insights of a number of local entrepreneurs, as well as national foundations and technical assistance providers. In particular, the efforts of the Savannah Youth Futures Authority to integrate preventive services for children, youth, and families, and the expertise of its director, Otis Johnson, had a major influence on the shape of the state initiative and the course it took. The Savannah initiative began in 1985 with support from the Annie E. Casey Foundation, and the Youth Futures Authority quickly became one of the flag ship local collaboratives once the state wide initiative began in 1991. Its pioneering efforts include pressing for changes in state agency operations at the county and state level, building advocacy links with other local collaboratives, and pioneering the system's first attempt at self-assessment using the core results identified by the state Policy Council.

In addition, national initiatives of the Council of Governors' Policy Advisors and the Pew Charitable Trusts critically influenced the thinking of state reform architects, as the story below indicates. Technical assistance provided by the Center for the Study of Social Policy and the evaluation firm Metis Associates has also played a critical role, respectively, in enhancing the capacity of local governance efforts, and in the design of the Savannah evaluation. Compared to some of the other states I studied, however, the design of Georgia's reform efforts has a home-grown feel to it. Where reformers in some states have worked very closely with particular national foundations and technical assistance providers, Georgia's reform architects have worked with and borrowed ideas from a variety of national players.

2. Initial Aims: Vague Ideas About Interagency Collaboration

In 1988 Rodgers and Ledbetter began to discuss how their Boards -- the state Board of Education and the state Board of Human Resources -- could get their agencies to collaborate to improve the capacity of children to learn. Ledbetter and his Deputy Director, Janet Bittner, came up with the idea of interagency collaboration, and the two agency heads set up a dialogue between their Boards about school readiness, school health, and related issues.

School-linked integrated services appeared as a natural starting point for their agencies to work together, but they knew that the agencies were unable to arrange or provide such services from the state level, so they established funding and technical assistance to help communities do so. From the beginning, the agency heads saw the initiative as an attempt to transform the way state agencies work -- through interagency collaboration at the state and county levels, and by altering the hierarchical relationship between the state and local level. Having participated in previous top-down efforts to integrate services that had proven ineffective, they sought to foster locally driven initiatives instead.

In addition to establishing new interagency partnerships, this transformation required professional training to develop staff capable of collaborating with one another, so they secured funding from the Woodruff Foundation to create a new professional development institute, the Georgia Academy for Children and Youth Professionals. The reform architects also recognized that local communities would need funding for direct services, as well as modest start-up and "glue" funding to hold their collaboratives together. To support communities' start-up and planning efforts, the Human Resources Commissioner explored funding possibilities with the local Woodruff and Whitehead Foundations. After they expressed interest in supporting the work of the local sites, the Governor formally asked the Foundations to fund the local planning stage of the initiative, which was to be called the Family Connection. Initial financing plans called for the foundations to provide funds to support communities' initial efforts to build collaboration. The state Department of Medical Assistance then would use federal Medicaid funds to fund the actual delivery of integrated services for low-income families through schools, in the form of case management.

3. Implementation: Steady Adaptation

Fourteen initial communities received planning grants from the foundations starting in 1991. (The Savannah site also continued moving forward on its own with outside funding from the Casey Foundation; it was eventually integrated into the state wide initiative a few years later.) In 1993, the legislature provided funding to expand the Family Connection to 15 new sites. In 1994, 25 more counties received funds to organize collaboratives and begin planning, and existing Family Connection sites received implementation grants.

DHR set up a small state Family Connection team, to work closely with the local sites, providing technical assistance, building collaborative capacity, and disseminating best practices in service delivery. The state's approach to the local communities' efforts under the Family Connection was very wide-open and vague. The general aim was that service providers and community residents

would work together to integrate services, to address the various needs of individual families. The Family Connection team provided consultation and assistance to the local sites, and undertook strategic planning efforts of its own to design and refine new service strategies for the local sites to implement. One such service strategy -- universal contact with all new born babies, screening them for developmental risks, and referring those in need to appropriate services -- was successfully piloted in a series of communities, refined by the team, and then re-piloted to assess its effectiveness. In 1997 the legislature responded with funding to support the program on a state wide basis. The team is currently developing several other new service strategies.

The early efforts of most local collaboratives were intuitive and conceptually simple. Some funded family support workers to follow up on children referred to other services by nurses in the schools. Some created family resource centers that bring together multiple health and human services under one roof. Still others consolidated separate groups working to coordinate services into one, to improve planning and to streamline services. Many communities used their state Family Connection funds to hire new staff who provided preventive, integrated services in existing agencies (e.g., a police officer who offered drug-use prevention services in the schools was based in the sheriff's office). The agencies covered the staff's benefits, and planned to pick up their salaries once the time-limited Family Connection grant expired if the staff's services were popular and essential enough. Some Family Connection sites centralized their service integration efforts, and operated them all through the local Family Connection staff and office (e.g., Dawson, Muscogee, Tift Counties). Others used Family Connection staff to coordinate and support a series of independent service integration projects being undertaken by a variety of organizations in the community (e.g., Gwinnett County).

Some communities had developed collaborative efforts well before the state initiated the Family Connection (e.g., the Casey Foundation-funded New Futures for Youth initiative in Savannah/Chatham County; the recent history of collaborative advisory boards and committees in DeKalb County). In these communities, individual local branches of state agencies had been working to collaborate on their own, under the assumption that their aims of community improvement could be achieved through local efforts. Once they began to plan together formally in the context of the state-sponsored Family Connection initiative, however, they began to recognize that their local problems could not be solved without better coordination up and down the lines of the different state agencies.

One leading site (Savannah/Chatham County, which had received outside funding from the Casey Foundation for a local services integration initiative, called New Futures, since the mid-1980s) sought to address this dilemma by having the local collaborative entity (the Youth Futures Authority) formally request systemic changes from the state, so that individual local agency heads could avoid the awkward position of asking their state-level superiors for specific waivers and operational assistance. Savannah also asked for a "state case manager," to help them figure out how and why the state agencies operate the way they do, and to help them request appropriate changes in the agencies' practices. Reform proponents at the state level capitalized on this suggestion, and gave each member of the state DHR Family Connection team responsibility for serving as the liaison between the state and specific communities.

The perceived limits that state agencies' standard operations placed on local collaborative efforts were also highlighted during a joint training session for staff from the state and from leading local sites in 1991, called the Family Policy Academy, sponsored by the Council of Governors' Policy Advisors (CGPA) at the National Governors' Association. The CGPA invited the state Department heads to participate in the training shortly after the Georgia undertook the Family Connection. The state team insisted that representatives from leading local collaboratives in Georgia be invited as well. The Academy served as an opportunity for the emerging state leadership team (the deputy commissioners from each agency) and the community leaders to reach a new common understanding of the larger systems change and governmental reform agenda embodied in the Family Connection. According to participants, the Academy was crucial not so much in terms of helping them devise a substantive reform plan, but in helping them build a new level of trust across state agencies and with the nonprofit and community participants, many of whom the state reformers had previously known more as advocates rather than as allies. As a group they came to recognize that they had similar goals, but frequently stumbled over one another in trying to achieve them separately. The Georgia team's discussions during the Policy Academy improved state reformers' understanding that systemic changes would be necessary to enable the locals to carry out their more ambitious plans, and that they need to work closely with the locals as allies, rather than as advocates.

As the Family Connection sites' service integration efforts developed, the limitations of piecemeal, haphazard state responses and support for their efforts became increasingly clear. State reform leaders decided that to improve services and systems for children and families further required a more formal and direct approach to designating authority and responsibility for improving results for children and families, in a new administrative system. A severe challenge was presented by the need to move from organic local initiatives that brought people together who had never talked to each other, to an institutionalized set of new relationships among their organizations and the state agencies that fund, support, and monitor their efforts.

At the same time that key architects of the state reform project recognized that their efforts needed to go beyond informal local collaboration, the Pew Charitable Trust's Children's Initiative offered planning funds to support Georgia's reforms. Pew was initially attracted to Georgia by the potential for synergy between its Children's Initiative agenda and the efforts of the Atlanta Project and the New Futures Initiative in Savannah. It sought not just a series of local projects, however, but a top-to-bottom restructuring of the state's human services system. Pew, in essence, convinced Georgia's reform architects that informal state agency and community collaboration were a good starting point, but that they needed to do more to change whole systems. Pew's suggestion for how to do this was to change the formal governance structures for children and families at the state and local levels. Pew stressed orienting governance around "results" -- or outcomes for children and families. Reformers in Georgia then developed the practical implications of this idea further and began to implement them, drawing significantly on Oregon's Benchmarks initiative. Pew also stressed the importance of securing legislative support for the new governance structures.

As the History Chapter above describes, Pew ultimately decided not to proceed with full-scale funding for the Children's Initiative, for various reasons, although Georgia was one of two states

awarded a much smaller amount of funding to support its reforms. Despite being frustrated at Pew's withdrawal, the process of working with Pew in developing a state and local governance agenda reminded reformers in Georgia of the value of outside consultants with national knowledge, as well as the importance of an outside impetus to do large-scale strategic planning. Reform architects also observed that Pew's withdrawal ultimately served to benefit Georgia's reforms, by enabling participants to design and "own" their efforts themselves.

After Pew announced its withdrawal, the Governor created an Interim Policy Council for Children and Families by Executive Order in 1994. The Council was a 21-member, bipartisan panel that included elected and appointed officials, as well as community, advocacy, and business leaders. It drew up the "Framework for Improving Results" -- the first overall outline of how community collaboratives and the state could work together in a family-friendly, community-driven, outcomes-based system -- and released it in December 1994. The legislature then passed a bill that established a permanent Policy Council and called on it to designate 10 initial Community Partnership sites from among the existing Family Connection sites.

The permanent Policy Council is a public-private, interagency state planning and policy making body, responsible for defining the core results to be achieved for children and families; developing a comprehensive state plan; evaluating its implementation; ensuring that necessary changes are made in state or federal laws or regulations; reviewing and approving strategic plans of community partnerships and state agencies; and providing leadership, training, and technical assistance to communities and agencies. For example, the Council offers "barrier busting" assistance to community collaboratives, if they confront unresponsive state agencies, or encounter state or federal regulations that inhibit their efforts to serve children and families responsively. Members are appointed by the Governor (six members), the Lt. Governor (four), and the Speaker of the state House of Representatives (four). Appointees must represent the business community, the nongovernmental and advocacy communities, and city and county government. In addition, the commissioners of state Departments that serve children and families -- Human Resources, Medical Assistance, Children and Youth Services, Education -- and the director of the Governor's Office of Planning and Budget serve as ex-officio members.

The Community Partnerships are formal collaborative entities, comprised of service consumers, community members, and representatives of local organizations that have responsibility and a concern for improving the lives of children and families. The state will formally recognize the partnerships as local planning and governance authorities for services for children and families, and grant them formal responsibility for designing comprehensive service plans to assist children and families. The partnerships will promise to achieve specific mutually-agreed-upon results through their comprehensive plans. Community Partnerships can use their comprehensive plans as the basis for requesting that state agencies change the way they administer programs, and assist them with blended funding and "seamless reporting" provisions. (In other words, as presently conceived, the Community Partnerships are not intended as the handlers of block grants comprised of state agencies' program funds (the legislation never would have passed if we had included such a provision). In the future, some leading Community Partnerships may take on such responsibility, through gradual waivers and other special requests, if they can develop particularly good levels of trust with the state agencies. The Policy Council may also distribute

funds for new integrated service strategies through the Community Partnerships.) Members of the Community Partnerships include representatives of existing local governance entities, such as local government, school boards, and public service agencies, as well as parents, service consumers, businesses, religious and civic leaders, community organizations, neighborhood associations, and other local organizations. Mandatory members include the superintendent of schools, the heads of the local health, mental health, and social services departments. Fifty-one per cent of each partnership's board must be community residents. State legislation mandates that the members of the community partnerships be appointed by the elected County Commissioners.

Since the initial designation of ten Community Partnerships, the Policy Council has designated a number of others. The number of counties with informal Family Connection collaboratives, meanwhile, has grown steadily, and in 1998 Governor Miller announced plans to expand the initiative to every county in the state that expressed a desire to participate.

4. Political Management: Creating Local Allies

The initial dialogue that state Commissioners Ledbetter and Rodgers established between their Boards, about school readiness, school health, and related issues, constituted the beginning of their efforts to create support for the idea of reform. The Boards soon came to see that they had similar concerns, and that their two agencies had very similar goals (healthy children living in healthy families who were effective learners in school).

In 1991, after establishing this common ground, the agency heads took their vague idea to newly elected Governor Miller, explaining that collaboration could improve services to families and generate efficiencies that might save money in the long run. The Governor liked these goals, especially because he had planned to focus his administration's energies on education, yet he recognized that public resources were scarce, so he encouraged the agency heads to develop the idea further and begin implementing it. Top DHR officials wanted to be part of the new Governor's education agenda, and thought that DHR's role in it could be to facilitate the provision of preventive services to troubled and at-risk children. By enabling these children to do better in school, preventive services would also serve to improve the overall learning environment in the schools for other children as well. Education Superintendent Rodgers, meanwhile, was sympathetic to these ideas after having become frustrated by the limited success achieved by traditional education reforms during the 1980s (e.g., smaller class rooms, increased teacher salaries).

The agency heads deliberately opted to try to build collaborative service delivery projects at the local level. They felt that grounding the new initiative in communities would create a local political constituency for it. Community participants would be able to lobby their state legislators, thereby helping to counteract the general public and legislative antipathy toward government social policies in much of the state. By creating a network of local collaboratives, moreover, reform effort might be able to induce changes in the way the state agencies thought about their missions and operations. The DHR Family Connection team, for example, put

leading sites in contact with one another, enabling them to band together in requesting changes in state practices. By at least one account, the state began to respond more quickly as a result.

The state agency heads thus sought to establish and then take advantage of exemplary instances of innovation and creativity at local level undertaken by savvy, opportunistic local leaders who clearly grasped the concept and the potential value of community collaboration on behalf of children and families. (The Savannah Youth Futures Authority was the leading example.) These strong local sites could then mutually reinforce one another's efforts, as well as the efforts of the reform architects to change state-level policies and practices.

By their own admission, however, the architects of the reform effort might have spent more of their own time and effort cultivating core support for the initiative from the legislature and other state officials. With strong support from the Governor at first, creating alternative power bases may have seemed unnecessary. The resulting dependence on a single source of elite support eventually led to difficulties, however, as the political profile of the reform effort rested entirely on the Governor's enthusiasm for it and the political fortunes of the reform architects themselves. All of these once secure bases of support became questionable a few years into the initiative.

As the interim state Family Policy Council went about its work of devising a new set of governance arrangements, a series of unexpected personnel changes at the top of state government destabilized reform prospects considerably. Legislation changed the office of Education Superintendent from an appointed to an elected position, so Rodgers had to run for reelection for the first time, and he lost in a surprising vote. For various other reasons over several years, Greenwell, Toll, and finally Ledbetter left their executive posts as well, taking new jobs outside state government. Around the same time, the Governor's interest in systemic reform seemed to fade as well. He selected his new agency heads from the state legislature. The new administrators adapted to their positions, but none brought the depth of thinking and commitment to interagency work that their predecessors had possessed. Much of the intellectual leadership and political clout of the systemic reform agenda were suddenly missing at the state level.

The prospect of the devolution of federal social policy responsibilities after the 1994 Congressional elections, Pew's withdrawal, and the turnover of key reform architects in the state agencies presented Georgia's reform efforts with a critical juncture. Under these circumstances, the interim Policy Council recommended the creation of the permanent interagency Policy Council, to continue to provide forceful leadership to keep state agencies working together with one another and with the local Family Connection sites. A permanent Policy Council made up of nongovernmental leaders as well as state agency heads could help spread ownership of the reform effort beyond the state agencies, retain an institutional knowledge base to guard against turnover of key personnel, build working relationships among the new agency heads, and create an interagency vehicle to work with the federal government on devolution issues.

Janet Bittner, a Deputy Director of DHR during Ledbetter's tenure who had been actively involved in designing and promoting the Family Connection, was appointed Executive Director of the permanent Policy Council. The Governor asked Cecil Phillips, an energetic banker and provocative political thinker, to chair the new Council, and Henry Huckaby, former Director of

the Governor's Budget Office, became the Vice Chair. These leaders gave the Policy Council vision, ideas, and experience, but many of the other members had considerably less experience and commitment to the interagency reform agenda. As the inexperience of his appointees to head the state agencies suggest, the Governor's interest in the reform agenda had also waned as Pew withdrew and other priorities emerged. In this setting, the Policy Council was hard pressed to maintain its presence and visibility as the bearer of a fundamentally new way for the state agencies to operate.

The virtues of the reform architects' efforts to create multiple leverage points proved themselves under these conditions, however. While the reforms were in turmoil at the state level, the leading local sites continued their efforts, and gradually stepped up their calls for changes in state agency operations and policies. The permanent Policy Council's designation of leading sites as Community Partnerships in 1996 lent new visibility to the state wide effort, and gave the members of the Policy Council a clearer sense of who their local partners were. The release of the preliminary results from Savannah's self-evaluation in 1997 provided another boost. In short, the state Policy Council, the DHR Family Connection team, and the leading local sites began to discover how to show case and promote one another's accomplishments in order to raise the profile of their reforms. In the absence of strong support from state political and administrative leaders, they found new ways to create such support themselves.

5. Impact

a. Outcomes for Children and Families

To assess the Community Partnerships' efforts, reformers in Georgia have essentially invented a new approach to evaluation, assisted by national experts. Their aim has been to move from evaluating the effectiveness of individual programs or interventions on individual children (or families), to evaluating the impact of community-wide strategies and comprehensive plans on entire communities. The linchpin of the new approach is the state's official list of 26 Benchmarks for Children and Families -- measurable indicators of the well-being of children and families that suggest the extent to which five core results are being achieved.¹²

¹² The Benchmarks include: healthy children (as measured by increases in the percentage of infants born weighing 2500 grams or more to mothers receiving prenatal care in the first trimester and to mothers who did not smoke or drink during pregnancy, increases in the percentage of children appropriately immunized by age two, and reductions in the pregnancy rate among school-age girls); children ready for school (as measured by increases in the percentage of low-income students in Head Start or pre-kindergarten programs, increases in the percentage of kindergarten students in pre-school or child care programs, increases in the percentage of kindergarten students passing the Georgia Kindergarten Assessment Program, and reductions in the percentage of students who are two or more years overage in third grade); children succeeding in school (as measured by reductions in the percentage of students absent ten or more days from school, increases in the percentage of students performing above state standards on curriculum-based tests at grades 5 and 11, increases in the percentage of students scoring above the national median on normed achievement tests in grade 8, and increases in the percentage of students graduating from high school on-time); strong families (as measured by increases in the percent of new families with mothers who have completed high school and are age 20 or older and who have the father's name recorded on the child's birth certificate, reductions in the percentage of teen mothers who give birth to another child, reductions in the confirmed incidence of child abuse or neglect, increases in the percentage of children in foster care who are placed in a permanent home, and reductions in the percentage of youth arrested); and economically self-sufficient families (as measured by

By tracking these indicators over time, and assessing the impact of locally designed service strategies on them, community partnerships can evaluate their own efforts, and give the state feedback on how effectively it is supporting them. The state Policy Council for Children and Families, the DHR Family Connection team, and the Children's Trust Fund Commission have designed a web site featuring indicators of the well-being of children and families in each county. Program planners and managers, state policy makers, community members, and others interested in Georgia's children and families can access data on child health, child development, school success, family functioning, and economic capacity. The web site can generate graphs and maps that display information on the status of the Benchmarks in each county. Ultimately state officials and the Community Partnerships themselves will be able to use these data to assess the impact of locally designed service strategies on the well-being of children and families.

Once a Community Partnership has tracked indicators to measure the impact of its comprehensive plan, state and local partners will work together to figure out what happened and why. This approach entails asking not just, "What did the comprehensive community plan achieve?" but also questions such as, "Was it the appropriate plan? Was it implemented appropriately? Were enough resources, technical assistance, and regulatory relief available to support its implementation throughout the community?" The Community Partnerships have yet to reach this stage, as the new evaluation approach is still under development, but these are the kinds of questions that the state evaluation team intends to ask once the Community Partnerships have begun to measure the impact of their comprehensive plans. The ultimate goal is for the communities to look to one another for examples of best practices, as identified through the new evaluation approach.

The Savannah Youth Futures Authority (YFA), one of the leading Community Partnerships in Georgia, is piloting the new approach to evaluation. Initial results from Savannah indicate a very positive impact on the well-being of infants and toddlers, and a more mixed impact on school-age children. (As the cohort of infants and toddlers that the Family Resource Center has served in infancy begin to enter school in a few years, the long-term impact of the Center's early intervention strategy on children's development will become more clear.)¹³

Specifically, between 1995 and 1996, in the YFA's Family Resource Center target area there was a(n):

reductions in the percentage of children living in poverty, reductions in the percentage of female-headed families with children living in poverty, increases in the percent of AFDC recipients who leave public assistance because of employment or higher incomes, increases in the rate of growth in employment, and reductions in the unemployment rate). Results Accountability Task Force, *Report to The Policy Council for Children and Families* (Atlanta: Author, December 1995).

¹³ The findings that follow are from Georgia Policy Council for Children and Families/Family Connection. "Savannah YFA's Family Resource Center Phase 3 Evaluation: Selected Interim Indicators of Progress." Atlanta, GA: Policy Council Meeting.

¹⁴ As one county Family Connection staffer observed, "Now [in 1998] we feel like we have a voice [in contrast to 1996]. We see things happening that demonstrate that our input and feedback are having an impact on the state's Family Connection policy." (Interview, 1998.)

- increase in the percentage of babies born healthy from 76.5% to 78.3%, compared to a decline in Chatham County as a whole from 78.1% to 74.9%;
- substantial decline (of 16.1%) in the number of black teens giving birth, compared to a smaller decline of 4.1% in Chatham County;
- sharp decline (of 42.9%) in the number of low birth weight births to black teens, compared to a decline of 23.4% in Chatham County;
- increase in the percentage of stable new families from 20% to 28.7%, compared to a small decline in Chatham County from 57.7% to 51.1% (stable new families are those involving the first birth to a mother who has completed high school and is 20 or older, and with the father's name on the birth certificate);
- decrease of 20.7% in the percentage of teenage repeat births, compared to a smaller decrease of 5.9% in Chatham County.

Between 1993 and 1995, in the YFA's Family Resource Center target area there was a(n):

- smaller increase in drug-related offenses committed by juveniles (7.7%) than there was in Chatham County overall (51.2%);
- 63.8% decrease in the number of weapons-related offenses committed by juveniles, compared to a mere 16.7% decrease in the entire County;
- 24.1% decrease in the number of "serious" juvenile offenses, compared to a decrease of only 2.5% county wide.

Between 1993 and 1996, in the YFA's Family Resource Center target area there were:

- substantial decreases in violent crimes and property-related crimes committed by adults, compared to smaller decreases in adult crimes throughout the entire city of Savannah.

Not all the Benchmark data indicate more improvement in the target area than in the larger city and county. For example, between 1993 and 1996, there were:

- larger declines in rates of student absence in Chatham County overall than in the Family Resource Center target area;
- better changes in eighth grade test scores in the County as a whole than in the target area.

These outcomes may or may not be replicable in other communities across Georgia and at other times. The Savannah collaborative enjoys strong, visionary leadership with over a decade of experience, and it received massive amounts of outside funding and technical assistance from the Annie E. Casey Foundation's New Futures Initiative. The target neighborhood is also one of the poorest and most troubled in Savannah, and hence -- even after the changes achieved thus far -- has substantial room for improvement. The improvements, finally, are not clearly attributable to the work of the Savannah Youth Futures Authority, much less to the state wide reform initiative. They follow a national economic boom, and come at a time when demographic indicators of pregnancies among black teens have started to improve across the country for the first time in decades.

The contrast in indicators between the target neighborhood around the Family Resource Center and the larger area of Chatham County nevertheless suggest that significant improvements are occurring in that neighborhood that are not occurring in the surrounding area. Something

positive appears to be going on in the Family Resource Center's immediate neighborhood. Definitive proof of the value of the Youth Futures Authority's work may never be available, but the preliminary results are certainly promising.

b. Systemic Changes Achieved

On paper and in concept, Georgia's system of collaborative adjustment is one of the most advanced in the country. New interagency collaboratives have been created at the state, county, and neighborhood levels. The state Family Policy Council is supposed to help arrange flexible funding and regulatory waivers at the request of individual Community Partnerships. A self-evaluation approach that uses outcome-based indicators of the well-being of children and families is under development, and suggests that one leading site has achieved significant improvements in one target neighborhood.

What remains unclear about the reform effort is the extent to which the new Community Partnerships and the state Family Policy Council will be able to induce the cooperation or bypass the operations of the main stream state human services agencies. In contrast to Missouri, reformers at the state level in Georgia have not spent a great deal of time and energy trying to reorient the way their state agency line staff work so as to align their operations more with the efforts of the community collaboratives. A number of local Family Connection sites and Community Partnerships have established strong working relationships with their county branch offices of the state agencies. Others have begun training local residents to become community leaders, to enhance the voice of those who speak for children and families in county planning discussions and policy decisions. There has been little state wide effort to line the agencies up behind the initiative, however, besides the *ad hoc* responses of the Policy Council's Barrier Busters team to local requests for assistance. Policy changes, such as the creation of the Family Policy Council and the Community Partnerships, have generally not affected the state agencies' budgets or operations.

To help the Community Partnerships succeed, the Policy Council must take additional steps to establish a policy climate that supports local authority and responsibility, which requires changing the ways that state agencies make decisions and interact with local communities. The role of the state must continue to shift in key ways. In place of prescriptive, line-item, categorical budgets, the state needs to start providing the Community Partnerships with flexible funding tied to performance expectations grounded in specific, designated results. Once policy decisions are delegated to the community partnerships, state agencies then need to turn more toward "steering" roles, such as monitoring and technical assistance, and away from bureaucratic approaches such as issuing specific regulations.

State Family Connection staff have nevertheless taken the critical step of helping to build a network of key contacts from many of the local collaboratives. The sites, in turn, have divided themselves up into regional sub-networks, each of which has designated a key contact from one of its sites who has experience working with the state. These regional contacts all attend the monthly state wide Family Connection management meetings; the regional sub-networks meet before hand to identify priority issues for the regional contact to raise at the state wide meeting.

While the state wide meetings are now large and somewhat unwieldy, they express a direct local presence in the state capital, with the potential to sustain elected officials' understanding and interest in the reform agenda.

c. Prospects for Institutionalization

Many local collaborators have felt skeptical, however, about just how far state officials are willing to go in helping them and ultimately in delegating more decision-making authority to them. Members of many local collaboratives feel that state officials -- including the new agency heads -- have not paid close enough attention to how the new state-local relationship is supposed to work under the Community Partnership arrangements. Most state agency operations have not changed in response to community requests, despite the rhetoric of state support for local initiative. Instead, many state officials view the Family Connection and the Community Partnerships as a "special project," rather than a new policy framework, and have given little thought to whether their other policies (e.g., welfare reform, Medicaid managed care) support -- or fail to -- with the Family Connection/Community Partnerships agenda.

A number of these other state policy thrusts actually run counter to the logic of increasing local autonomy and input into policy and planning, and in some ways undermine the viability of the Family Connection. Reforms to integrate services and enhance local autonomy have also been promised time and time again, and while the Family Connection appears promising, it may or may not survive beyond the current administration. Many local collaboratives are therefore reserving judgment about current reforms, and moving forward on their own to the extent possible, waiting for the state's reforms to play out further, and for state agency practices to support local efforts more consistently.

For example, most state agency staff don't yet understand the concept of, much less the need for, results-based accountability. The top agency leaders, the Governor, and the communities understand the virtues of delegating authority to communities and holding them responsible for the outcomes, and eventually the concept will trickle down through the state agencies. In the meantime, however, some mid-level state staff are either ignoring the reform efforts, or assuming that they will not last long. Overcoming this skepticism by making the extent and depth of reform absolutely clear is a major challenge for the Policy Council, especially given the turnover at the tops of many state agencies. Leading communities and Policy Council staff see a need to educate the agency heads (below the Commissioners) at the state level (e.g., DFCS director), and the line supervisors just below them, about the way the new system will work.

The local sites have a critical role to play here, in pressing the state agencies to change. As more and more local sites build their own capacity to develop and implement comprehensive community plans, they can pressure their state legislators as well as the county and state agency heads for systemic changes in the way the state agencies operate. The Policy Council's Barrier Busters Team gives the Community Partnerships a formal channel for seeking changes in state regulations, funding, and agency operations, so they no longer face the frustrations of trying to extract changes from state agency personnel on their own.¹⁴ Some leading local collaboratives have also begun to devise effective strategies to educate and induce support from their state

legislative delegation. Whether the network of local sites is able to pick up on their example and exert a more wide spread influence on the system remains to be seen.

In addition to harnessing the voices, energy, and accomplishments of the community sites to publicize the importance of the reform project, state-level reformers need to find additional actors or policy thrusts with which to identify their efforts. For example, business and welfare-to-work efforts might be brought more directly into the operations of the new system. Some reform proponents are optimistic about the prospects for linking the communities' efforts to larger policy thrusts, because they dovetail quite directly. For example, the legislature has mandated the state agencies to begin performance-based budgeting, and as they begin to search for a way to implement this mandate, they could use the results-based accountability efforts of the Family Policy Council and the Community Partnerships to guide their work. Secondly, the Governor has asked the agencies to streamline the way they do business, and down size themselves in the process, so partnering with community collaboratives may be one way to continue pursuing their missions with a smaller work force. One state official told me, however, that very few people in the business or welfare-to-work communities see the direct connection between their agenda and the efforts of the Family Connection and Community Partnerships, even though many of the local collaborators do.

The current weakness of this strategy -- bypassing line agencies in favor of independent local collaborators who are committed to the reform effort -- is that most of the available human services resources are still tied up in the mainstream human services system (i.e., the line agencies). The funds flowing to the Community Partnerships, and the innovative service strategies they are implementing, are a drop in the bucket compared to the funding for core mainstream human services. Moreover, many of the Community Partnerships' service strategies do not overlap or compete directly with the core mainstream agencies' services. Many local collaboratives focus on prevention and family-friendly service strategies for families at-risk, rather than deep-end remediation for families already in trouble, which is where the line agencies' efforts are. So the new system may not directly *replace* the old system so much as eventually obviate the need for as much spending on remedial services for deep-end cases, by reducing the number of bad outcomes that require remediation.

Regardless of these challenges, the fortunes of the Family Connection initiative have recently been revived in the Governor's Office, and key legislative leaders understand and support it -- including the chair of the state Senate Health and Human Services Committee, who is running for Lt. Governor in 1998. While current progress on the larger agenda of changing state agencies and systems may only be limited, then, the local collaboratives appear to have considerable political support and staying power. Their potential to effect systemic changes in state policy making and administrative practices may depend on the presence of more visionary reformers with substantial influence within the state agencies.

Local collaboratives -- both Community Partnerships and other Family Connection sites -- express increasing confidence in the intentions of the state to follow through on its promises of increasing local flexibility in designing and implementing services for children and families. In early 1998, moreover, Democratic Governor Zell Miller announced his intention to expand the

Family Connection initiative to all counties in the state who wish to participate. State legislators from many of the local collaborative sites' districts know about the Family Connection and support it consistently. Key legislative leaders champion the reforms to their colleagues as well.

The enthusiasm and service results that the communities have generated have created a strong constituency for the reform effort at the local level and, correspondingly, among a number of state legislators. The basic framework of the Community Partnerships and the Policy Council, moreover, remains strong. The real question is whether local and state proponents of reform can generate the political clout to continue expanding its breadth and depth of operations, or whether it will remain a special collaborative project that provides the preventive services that the state agencies generally do not.

C. MISSOURI¹⁵

The origins of Missouri's systemic reform initiative date back to state and local efforts to improve the state's education and child welfare systems that began in the late 1980s. The directors of the state Departments of Education, Health, Mental Health, and Social Services created the Walbridge Caring Communities program in a very poor neighborhood in St. Louis, with financial assistance from the Danforth Foundation. Caring Communities has since expanded to more than 60 sites around the state. Directed and managed by community residents, parents, and local staff, and funded with state and federal funds from the three state agencies, it brings together a range of services and supports through schools for children and families who are on the verge of crisis.

Missouri's reforms encourage collaborations among public agencies and community-based organizations around initiatives in various policy areas, such as the school-linked services offered in Caring Communities sites, and a new family-supportive approach to providing child protective services. The state has authorized the creation of Community Partnerships at the county or regional level to support and oversee the local Caring Communities sites. At the state level, the Missouri Family Investment Trust, a public-private partnership comprised of the directors of the state agencies and private foundations, sets the overall policy direction for the reform effort and provides technical assistance and training to the Community Partnerships. The Community Partnerships have agreed to work with the state agencies and the Family Investment Trust to achieve improvements in specific outcomes for children and families, through comprehensive service delivery plans developed by their Caring Communities sites. The Deputy

¹⁵ Many thanks to the many state and local officials in Missouri who took the time to explain their aims, accomplishments, and challenges to me. This study draws on interviews with state officials and community leaders in 1996, 1997, and 1998, as well as on a number of publications of the Family Investment Trust and other state planning documents. These include: Missouri Department of Social Services, *Summary of Strong Families Through Community: Missouri's Direction to Achieve Better Results for Families and Children* (Jefferson City, MO: Author, November 1995); Missouri Partners and the Family Investment Trust, *What Missourians Want for Families and Children: Statewide Outreach Findings* (St. Louis, MO: Authors, March 1995); G.L. Siegel and L.A. Loman, *Planning Process Evaluation of Missouri Partners: Strong Families Through Community*, Conducted for the Missouri Department of Social Services and the Family Investment Trust (St. Louis, MO: Institute of Applied Research, January 1996); and The Family Investment Trust, *Missouri's Direction for Change: Achieving Better Results for Families and Children* (St. Louis, MO: Author, March 1995). Where not otherwise indicated, quotations in the text and footnotes are from my interviews.

Directors of the state agencies oversee the Community Partnerships' implementation efforts, and a Caring Communities Coordinator in each agency coordinates the work of the different agencies with one another, and provides technical assistance and troubleshooting to the Community Partnerships.

1. Architects: Savvy, Experienced State Administrators

Keith Schafer, the former Missouri Director of the Department of Mental Health (DMH) under Republican Governor John Ashcroft, came up with the original idea for an interagency initiative to improve the lives of children and families in 1987. Schafer had worked at the Department of Social Services (DSS) before heading DMH, so he understood that the staff of both agencies were frustrated with the limited impact that their programs were having on the lives of troubled children and families. He conferred with his colleagues at the tops of the state Departments of Health, Education, and Social Services (Robert Harmon, Bob Bartman, and Gary Stangler, respectively), and they began to brainstorm about ways to encourage local collaboration to bring together different kinds of services. Their specific concerns encompassed the numbers of children who were living in foster care, dropping out of school, or living in poverty. These agency directors had been working together within or across the various state agencies for a number of years, and were familiar and comfortable with one another. They soon hit upon the idea of "walk-in schools," which would provide a variety of services and resources to families and children in familiar, neighborhood-based settings.

Simultaneously, an informal partnership of children's advocates, state agencies, and private foundations were developing promising approaches to reform Missouri's child welfare system.¹⁶ They undertook an interagency initiative with the aim of averting unnecessary out-of-home placements of children.¹⁷ As Directors of the state Departments of Social Services and Mental Health, Stangler and Schafer were core members of this group as well. Another participant was Phyllis Rozansky, who at that time directed the state's advocacy organization for children, and would go on to serve as the director of the Family Investment Trust. This group's initial idea was to promote state wide adoption of the Homebuilders family preservation program, which offers intensive counseling and assistance to families at imminent risk of having a child placed outside the home in foster or institutional care. Their ultimate aim was to foster larger changes in the child welfare system to make it more community-driven, preventive, and responsive to individual families' needs.

A fundamental influence on Missouri's systemic reform efforts has been the close working relationship between the state-level proponents of reform and the staff of the Center for the Study of Social Policy (CSSP), a think tank in Washington, DC. In 1987, CSSP published a monograph, entitled *A Framework for Child Welfare Reform*, which laid out the fundamental dilemmas that the child welfare system faced, and proposed establishing community governance

¹⁶ Organizations involved in the effort included the Annie E. Casey and Edna McConnell Clark Foundations as well as the Center for the Study of Social Policy at the national level, along with a number of Missouri foundations, including the Ewing Marion Kauffman Foundation, the Danforth Foundation, and the Greater Kansas City Community Foundation and Affiliated Trusts.

¹⁷ P. Rozansky, *Missourians Working Together: A Progress Report* (St. Louis, MO: Family Investment Trust, 1997), p. 10.

collaboratives to devise local solutions to address them.¹⁸ CSSP has gone on to write a series of working papers elaborating the benefits and design options involved in community governance, as well as various other aspects of systemic human services reform for children and families.¹⁹ They have played a crucial role assisting Missouri's reforms, including helping to design the state wide Caring Communities evaluation, and conducting a process study of the early Community Partnerships and Caring Communities sites.²⁰ CSSP staff, especially Frank Farrow, have stayed in close touch with both Stangler and Rozansky, trading concepts and brainstorming operational ideas.

A final impetus for reform in Missouri was the emergence of local groups that came together in the late 1980s to address problems in the child welfare system in a number of communities around the state. Participants felt that collaboration would enable them to improve the lives of children and families by providing more effective services, generating more resources, and speaking with a more unified voice politically. Leading sites included Kansas City, Cape Girardeau, Springfield, and St. Joseph. Collaborative groups in all of these communities would go on to be designated as Community Partnerships under the state's emerging systemic reform initiative.

2. Initial Aims: Vague Ideas About Interagency Collaboration

The state agency heads combined these various reform agendas -- school-linked services, improving child welfare, and community collaboration -- in a new project that began in 1989 at the Walbridge Elementary School in a very poor neighborhood in St. Louis. The agency directors offered staff, funding, and regulatory waivers to support a grassroots effort to provide various services to families and to improve the school's neighborhood. The aim was to improve children's educational outcomes and to avoid unnecessary out-of-home placements of children.

After taking the initial step of creating the Walbridge Caring Communities site, the state agencies encouraged its participants to innovate to address family and community needs, but did not plan any immediate changes in their own operations. One agency director said that the state initially sought to "offer our services, set up a community advisory board, hire a person they trust, and serve as partners, as opposed to telling them what they should be doing."²¹ Another state official described the original initiative to me as "a bunch of agency heads sitting around a table figuring out how to let Walbridge do what it wanted." State officials then responded to the community's requests for services and assistance on a case-by-case basis.

¹⁸ Center for the Study of Social Policy, *A Framework for Child Welfare Reform* (Washington: Author, 1987).

¹⁹ See the Chapter Four ("A History of Human Services Reforms in the United States: 1960 - Present") for details and citations of CSSP's work.

²⁰ See, respectively, Center for the Study of Social Policy, *Evaluating Successful Results for Missouri's Children and Families*, A Paper Prepared for the Board of the Family Investment Trust (Washington: Author, December 1995); Center for the Study of Social Policy, *Profiles of Missouri's Community Partnerships and Caring Communities* (Washington: Author, 1996).

²¹ Quoted in A. Melaville and M. Blank, *Together We Can: A Guide for Crafting a Profamily System of Education and Human Services* (Washington: U.S. Department of Education and U.S. Department of Health and Human Services, 1993), p.96.

The agency heads were especially fortunate to hire a charismatic, visionary director for the Walbridge site, who served as the prime mover for the project in the community, and as an ambassador for the Caring Communities program throughout St. Louis and around the state. He worked closely with the principal of the school and his own staff to solicit input from neighbors and teachers about the kinds of activities the new program should undertake. In response, the site developed a set of Afro-centric principles to guide their work with children and families, and began to offer services such as Families First, an intensive therapy intervention for families in crisis; case management to link families to social services and informal assistance such as mentoring; behavior therapy for children with problems; substance abuse counseling for parents, and a support group for their children; tutoring and self-esteem building; before- and after-school “latchkey” activities for students; Friday evening recreational and educational programs for school-age children and youth; Parents as Teachers (a screening and parenting education program for families with young children ages birth to three); and a variety of health services. In addition, the program formed an anti-drug task force to conduct marches to discourage the sale and use of drugs in neighborhood houses.²²

Four Caring Communities school sites were added in two adjacent rural counties in 1989, shortly after the first one was established in Walbridge. After these initial sites demonstrated that the new approach could work in a variety of community settings, a site was added in Kansas City, and six more were added in St. Louis. The St. Louis sites carefully replicated the menu of services developed in the original Walbridge site, but the other sites around the state designed their own sets of services and activities according to their local needs and priorities.

Once the number of sites had grown, state officials recognized that they needed a systematic way to respond to and support communities’ efforts, to replace the *ad hoc* approach they had initially adopted with the Walbridge site. One official told me, “In 1988 there wasn’t a sense that the initiative was about restructuring the operations of whole state agencies. But by 1992, ...after the initial site in St. Louis was evaluated, and things there were going well while the rest of the city was headed into the dumper, we realized we had to go to scale around the state, and doing so would force us to restructure the way all the state agencies were doing business.” One of the architects of Missouri’s reforms remembered, “We eventually realized that changes in state agency operations were being inspired and driven from outside the state agencies, rather than figured out and implemented from within the agencies, so we needed to create a vehicle to facilitate the appropriate changes in agency functions and performance.”

3. Implementation: Steady Adaptation

To foster systemic changes and support interagency training for state agency staff and community participants, Democratic Governor Mel Carnahan issued an Executive Order in 1993, which created a state-level public-private entity, the Missouri Family Investment Trust (FIT). The FIT Board originally included the directors of the state Departments of Elementary and Secondary Education, Health, Mental Health, and Social Services, as well as private sector representatives.²³ The Board develops the vision for fundamental changes in the delivery,

²² This list of activities in the Walbridge site is taken from Melaville and Blank, *Together We Can*, p.97.

²³ The director of the Department of Labor and Industrial Relations joined the FIT Board in 1995; the directors of the Departments of Corrections and Economic Development joined in 1997.

organization, and financing of human and education services in Missouri. The FIT staff and Board work together to build state and local capacity to implement these changes, and to measure the progress achieved.

A major expansion of the reform occurred in 1995, when the legislature approved a \$21 million budget to support the efforts of 50 new Caring Communities school sites, using new funds from the federal Family Preservation and Support Act, as well as state general revenue funds. The state also added employment-related outcome goals to the sites' mandates, in response to criticism that local efforts focused too much on providing social services rather than on helping parents become and stay employed. At the state level, the Budget Director and the Department of Labor and Industrial Relations joined the interagency collaboration to support this new agenda. The Governor encouraged the state agencies to orient their strategic planning efforts around Caring Communities and its related reforms, so the initiative began to serve as a new way for state agencies to function and do business.

State-level reformers then decided to take advantage of the local collaboratives that had developed on their own to address child welfare issues, by asking them to participate as fiscal agents in the expansion of the Caring Communities initiative. Working as the FIT Board, the state agency directors jointly designated local governance structures, called Community Partnerships, in six county or multi-county jurisdictions in 1995. The Board developed a strategic plan that translated the aims of the reform agenda into operational goals for the state agencies, the Community Partnerships, and the local Caring Communities sites under each Community Partnership.²⁴ At the same time, the Board invited an additional six jurisdictions to become "Collaborative Communities," to prepare them to be designated as Community Partnerships in the near future. Four of these Collaborative Communities became full Community Partnerships in 1996, and the other two continued building the local capacity to become Community Partnerships.

While their goals were clear, state-level reformers retained an open mind about the best way to achieve them. They did not think of Caring Communities as a "model" that included specific services and replicable relationships and responsibilities for a core set of community actors. Instead, they see it more as an open-ended "approach" to encouraging local collaboration to achieve better outcomes for children and families, by whatever means work best in each community.²⁵ Membership, (inter)organizational structure, and decision making authority in the Community Partnerships therefore vary from one community to the next. All include a different mix of representatives from public agencies, nongovernmental service provider organizations, and citizen members, though parents and service consumers tend to be under represented on all

²⁴ In the area of service delivery, for example, "Services [will be] neighborhood-delivered, integrated, and preventive in 60 Caring Communities." In the area of accountability, "Annual agreements between state agencies and communities [will] specify results, and their measurements, strategies, financing, and accountability." In the area of finance, "Funding streams [will be] tied to core results in communities and state agencies." In the area of capacity building, "Cross-agency training [will be] operational at the neighborhood level." Family Investment Trust, *Better Results for Children and Families: A Strategic Direction for Communities and State Agencies*, Approved by the Family Investment Trust Board of Directors, April 8, 1996, p. ii.

²⁵ Many of the local sites, especially those in St. Louis near the original Walbridge site, had difficulty grasping this concept, and wanted to "replicate the model." (Interviews with state officials, 1996.)

of them. Moreover, some Community Partnerships reserve primary decision making authority for citizen members, while others grant it to private agencies and community representatives.²⁶

Despite their variations in membership and internal decision making authority, all of the Community Partnerships have the same responsibilities in working with the state agencies: creating a community-wide vision and plan, mapping local assets, setting community benchmarks, guiding the work of their Caring Communities site councils, pooling community resources, measuring progress, entering into an agreement with the state agencies to achieve better results for children and families, providing leadership, and assuring inclusive involvement of all stakeholders.²⁷ The FIT Board has designated six core outcomes that each Community Partnership will ultimately be responsible for achieving: parents working; children ready to enter school; children safe in their families and neighborhoods; children succeeding in school; children and families healthy; and youth ready to become productive adults. Community members and state officials can assess the achievement of each core result by examining indicators of data (called “Benchmarks”) that correspond to it.²⁸

Each Community Partnership serves as an umbrella structure, or “parent board,” for a number of neighborhood-based Caring Communities sites linked to schools, which conduct neighborhood planning, and offer a range of services and supports for families, like the original Walbridge Elementary School site. Each site has its own neighborhood governance body that includes parents, community members, school personnel, front line service providers, and local businesses. Each Caring Communities site is represented on its Community Partnership’s Board, giving community participants formal input into the Community Partnerships’ decisions about the allocation of funds and staff to serve children and families in their neighborhoods. Each Caring Communities site also has a Site Council. Each Site Council commits to a formal agreement with its Community Partnership, which identifies the funding it will receive and the services it will provide, based on a neighborhood plan that it develops to address the needs of local children and families.

The Community Partnerships take the priorities and service plans identified by their Caring Communities sites, and combine them into comprehensive strategic plans that they submit to the

²⁶ The latter cases may face conflicts of interest if the state follows through on reformers’ intentions to delegate more responsibility for allocating core public resources to the Community Partnerships. See Center for the Study of Social Policy, *Profiles of Missouri’s Community Partnerships and Caring Communities*.

²⁷ P. Rozansky, *Navigating the River of Change: The Course of Missouri’s Community Partnerships* (St. Louis, MO: The Family Investment Trust, April 1997), pp. 5-6.

²⁸ Individual communities can prioritize their own results and benchmarks, but the core state wide benchmarks are: number of people employed, retention of employment, and earnings of people employed (to measure Core Result #1: Parents Working); substantiated child abuse or neglect, out-of-home placement because of abuse or neglect, hospitalizations among children and youth due to injury, delinquency and habitual delinquency, and suspensions or expulsions from school (to measure Core Result #2: Children and Families Safe); preventable hospitalizations among children and youth, immunization rate at kindergarten enrollment, placements for psychiatric reasons among children and youth, and school absences (to measure Core Result #3: Children and Families Healthy); kindergarten readiness (to measure Core Result #4: Children Ready to Enter School); grade retention, reading and mathematics levels, grades (to measure Core Result #5: Children Succeeding in School); high school graduation, and teen pregnancy (to measure Core Result #6: Youth Ready to Enter Productive Adulthood). See Philliber Research Associates, *The Status of Caring Communities, July 1997* (Accord, NY: Author, 1997), pp. 2-6. For details and preliminary findings from the evaluation, see the “Impact/Outcomes” section of this chapter, below.

state agencies. The Community Partnerships decide what kinds of services to fund based on the priorities that their Caring Communities sites identify in the neighborhood planning processes. Each Community Partnership's strategic plan forms the basis for a contract with the state that identifies which of the six core results it commits to work toward, specifies the activities that its local Caring Communities sites will undertake, and includes an approved budget.²⁹ State funding to implement the community plans is available from a pool of federal and state funds that the legislature has designated for Caring Communities, which the state agencies administer together.³⁰ The Deputy Directors of the state agencies jointly review and approve the local plans and budgets, and the Department Directors then submit an aggregate Caring Communities budget to the Governor.

Representatives from all of the Community Partnerships attend monthly state-wide partnership meetings, in which they network with one another and meet with the Caring Communities Coordinators from the state agencies to identify pressing concerns. Before each meeting, most of the Community Partnership representatives meet together without the state officials, to identify agenda items they want to ensure get addressed. The Community Partnerships feel that the state agencies respond to most of their concerns readily, though some of their requests languish for one reason or another. The Community Partnerships are authorized to request regulatory waivers and assistance in changing specific state policies from the Deputy Directors' group, although they have been slow to take advantage of this opportunity, in part because their relationship with the state remains somewhat paternalistic.

The Deputy Directors also meet regularly to identify ways in which the state agencies need to change their operations to respond to and support better the activities of the Caring Communities sites and the Community Partnerships. For example, each state agency has traditionally tracked its clients using its own particular identification numbers, and monitored its administrative data using its own particular geographic region (e.g., by zip code, school district, county, census tract, etc.). To make payments, track data, and manage other administrative tasks jointly, these processes need to be unified across the agencies.

At the same time that the state agencies are trying to coordinate their own administrative operations, they are also trying to figure out how to ensure equity in the provision of services, and how to prevent waste and fraud, in a system designed and operated by county and local actors. In addition to developing new evaluation, monitoring, quality assurance, and accountability mechanisms, the state may continue making automated payments to providers, and reserve the authority to allocate funds for certain programs in particular communities. Top

²⁹ State officials describe these agreements with the Community Partnerships as committing the state agencies to "buying results instead of services."

³⁰ One state official characterized this funding as "venture capital" that the state agencies use to fund the activities of the Community Partnerships, noting that it did *not* constitute a joint budget across all the agencies' categorical programs, which would have radically changed the ownership of programs and led to a backlash among service providers. Instead, the venture capital budget serves as a model to the communities of what interagency administration can look like, and gives the legislature and the agencies' internal line divisions a clear illustration of the kinds of new administrative approaches the agency directors want to pursue.

state officials want the agencies' relations with the Community Partnerships to be multi-faceted and flexible, varying over time and from one community to the next.³¹

This operational model continues to the present. Incremental additions occurred in 1997: new Community Partnerships and Caring Communities sites were added, using new federal and state funds pooled in the same way as the 1995 appropriation, and the directors of the state Departments of Corrections and Economic Development joined the FIT Board. Some local sites had pressed hard for the addition of the Economic Development Department, because they were looking for new ways to connect with local businesses in order to create jobs for the families they served.

In addition to their work managing Caring Communities, some Community Partnerships have undertaken other initiatives that extend their efforts beyond the realm of school-linked services for children and families (i.e., Caring Communities). LINC (the Local Investment Commission - the Kansas City Community Partnership) and a few sites in St. Louis appear to be the leaders in this regard, with some of the most promising service delivery efforts coming in the area of employment services for parents. The anti-drug marches in the original Caring Communities sites in St. Louis have also been instrumental in addressing neighborhood residents' concerns about drug trafficking and violence.³² Many of the Caring Communities sites are making an active effort to link their work to ongoing school reform activities, and relations between teachers and Caring Communities staff have improved markedly in most sites since the inception of the program.

Aside from these leading examples, however, exactly what kind of an ongoing role most of the Community Partnerships will have in other areas of policy making and service delivery beyond the Caring Communities program remains unclear. Thus far most of the annual plans that the Community Partnerships have developed with their Caring Communities sites and submitted to the state have focused almost exclusively on designing and implementing school-linked services related to the Caring Communities program. Beyond designing and offering comprehensive services funded by Caring Communities, few sites have begun to try to restructure core social services for children and families -- by out stationing public agency staff at schools, for example, or by blending funds for closely related services. LINC again is the major exception, though in 1998 Cape Girardeau and perhaps a few other Community Partnerships hoped to submit their first truly "comprehensive" plans encompassing more than simply Caring Communities activities.

³¹ One state official observed, "We have a tremendous responsibility to the at-risk population: how can we protect those groups? We can do it with safety nets [centralized entitlement programs] at the state level, or by ensuring best practices at the local level. ... The state will have to be very vigilant to ensure that the communities don't devolve into separate fiefdoms, where all the money is locked up for a single set of service providers. ... Where local sites aren't improving results under the new system, the state should come in with lots of technical assistance. After that, if we're really dealing with a community with a bankrupt, dysfunctional system, the state needs to come in and take things over, appoint local receivers, or find a different set of folks in the community to run things."

³² By one account, these efforts have helped to shut down more than 20 drug houses in the Walnut Park neighborhood. Center for the Study of Social Policy, *Profiles of Missouri's Community Partnerships and Caring Communities*, p. 29.

Reformers architects are now pushing the Community Partnerships to enter additional policy areas -- such as welfare reform and child care -- in order to begin giving them responsibility for administering core public funding (in addition to the special project funding for Caring Communities). Several of the Community Partnerships -- LINC most successfully -- have begun to take on larger policy planning roles, by helping to plan the local response to welfare reform.

On the one hand, additional responsibilities related to welfare reform have create political complexities that some Community Partnerships are not yet equipped to handle (for details, see the section below on "Political Management"). Some state-level reformers also worry that the recent expansion of the initiative to encompass additional state agencies -- Economic Development and Corrections -- may dilute the reform initiative's focus on improving the ability of schools to educate children.

On the other hand, other state reformers see expanding the Community Partnerships' policy and program portfolios as an essential step toward making the reform truly systemic. While they may confuse and dilute some local efforts, moreover, additional responsibilities may paradoxically push other local communities to expand their aspirations beyond simply managing Caring Communities. The state's invitation to communities to participate as partners with the state around welfare reform, for example, has encouraged some local actors to view the potential role of Community Partnerships more seriously and to become more involved in the larger reform effort. In particular, the peer pressure of LINC's welfare reform activities recently inspired the separate Caring Communities sites in St. Louis -- which have consistently resisted working more closely with one another -- to come together and form a Community Partnership at long last.

The ultimate intention is for the Community Partnerships to function as "family maintenance organizations," by contracting with the state agencies to achieve specified outcomes for local children and families, supported by capitated funding financed with core human services dollars. These arrangement would grant the Community Partnerships the flexibility to manage care and services for families in ways that achieve the outcomes they agree to with the state agencies.³³

The gradual process by which these changes are emerging has resulted from the open-ended approach to system design and implementation that state-level reformers consciously adopted.³⁴ Many participating communities have benefited from being permitted to customize program components and to pursue their own level of involvement in larger systemic changes. The lack of a uniform, clear message about what the new system should look like and what particular

³³ Family Investment Trust, *Better Results for Children and Families: A Strategic Direction for Communities and State Agencies*, pp. 8, 16.

³⁴ As one reform architect writes:

Working without a blueprint marked a significant departure from the way that state agencies have historically worked...with communities. Consequently, there was more experimentation by communities and state agencies, which led to a cycle of design, test and adjust.... State agencies wanted to convince the Community Partnerships that they were being flexible and to convey their belief that this was not a 'top-down' approach. Therefore, they were reluctant to prescribe instructions. This does not imply that the state agencies had a prescription. They did not. They were trying to figure out how to proceed just as the communities were.

Rozansky, *Missourians Working Together*, p. 59.

actors' roles should be in it, however, has also engendered some confusion, and perhaps slowed the overall development of the new system.³⁵ In their attempt to foster buy-in from stakeholders and to encourage local innovation, reform proponents may not have formulated and articulated an enduring vision as firmly as they might have.

4. Political Management: Cultivating Local Allies and Popular Support

Most of the initial reform architects held positions at the state level. As a result, they sought to cultivate a local constituency for Caring Communities among program sites that would prove infectious, inspiring the creation of additional sites as well as enhancing the popularity of the new initiative among the general public. To ensure local success and popularity in the initial sites and Community Partnerships, they deliberately adopted a strategic approach, hand picking those that they thought would prove most successful.

Their ongoing aim with Caring Communities is to have community members come to feel they have a right to have a site in their neighborhood.³⁶ Local support for Caring Communities has proven valuable, enabling the initiative to survive a change in governors, as well as the turnover of a number of state agency directors.

The reform architects also opted for a strategic approach to building momentum and capacity for reform within the executive branch of state government. They deliberately delayed establishing the FIT until after Governor Carnahan took office in 1993, in order to ensure that he would support it enthusiastically.³⁷

The reformers also had a strategy for developing popular understanding and support for their systemic reform agenda. With funds from the federal Family Preservation and Support Act of 1992, they conducted state wide strategic planning around child welfare reform to publicize and seek input about the larger systemic changes that they hoped to bring about. The DSS Division of Family Services established Missouri Partners, a broad-based, state wide planning group, which included representatives from the state agencies, the state legislature, community and service provider organizations, and advocacy and parents' groups. Missouri Partners guided the development of the state's plan to implement the federal Family Preservation and Support Act, conducted surveys and focus groups with citizens and service recipients around the state, and

³⁵ "...[U]nderstanding...the roles, responsibilities and accountability of Caring Communities, Community Partnerships, state agencies and FIT was a desired but elusive goal.... Confusion led to misconceptions about expectations of who was to do what and when they were supposed to do it." Rozansky, *Missourians Working Together*, p. 48.

³⁶ The extent to which reformers have succeeded is illustrated by the fact that a recent newspaper advertisement in the real estate section trumpeted one house that was for sale as being located in a Caring Communities neighborhood. As one agency director observed wryly, "You don't usually see state programs for children and families thought of as a 'plus' in the fabric of a neighborhood."

³⁷ As one told me, "The FIT was quite consistent with [previous] Governor Ashcroft's agenda, and his agency heads had created the Caring Communities initiative, but we didn't want Governor Carnahan to put the new entity aside just because it was Ashcroft's initiative. ... The delay cost us a year, during which time we could have built more capacity. So we weren't as deliberate as we should have been, but then again we weren't sure whether the agency heads were going to stay the same, and if they hadn't then we would have lost whatever capacity we'd built."

developed a framework to explain the reform agenda in common sense terms.³⁸ Participants and respondents repeatedly indicated that they wanted government to perform more effectively, by improving the results it achieved, and to increase the local role in making program and policy decisions.³⁹ Whether these popular participation mechanisms served to direct reformers' aims and efforts, or simply to legitimize and give popular voice to policy directions that reformers had already developed, is unclear in hindsight. Regardless, they helped align popular perceptions and reformers' rhetoric about what reforms should strive for and entail.

Despite their outreach efforts, reformers still faced the challenge of translating the intuitive appeal and growing popularity of Caring Communities into political support for more elaborate systemic reforms in state agencies' operations and overall policy making processes. Several of the state reform architects, as well as their advisers at the Center for the Study of Social Policy, worried that Caring Communities could be reduced to functioning as its own comprehensive services program if larger systemic changes did not go forward. At the same time, they recognized that the concept of Community Partnerships was too complex and, at that time, vague -- to attract much political support among the public and state legislators. So they tried to "piggy back" the Community Partnerships and other systemic changes (e.g., accountability for outcomes, flexible funding, local comprehensive service plans) on the popularity of Caring Communities.

The political result has been a mixed success thus far. The initial assumption that Caring Communities would prove popular has been borne out repeatedly, in the legislature, in communities, and in public opinion. Attempts to harness its popularity to increase the profile and appeal of the Community Partnerships have proven more problematic. The most fundamental problem is that the public and the legislature still lack a concrete understanding of what Community Partnerships are, and of why reformers think the new system of policy making has the potential to be more effective than the existing system. Reformers have been unable to transfer the political popularity of the Caring Communities program -- however multi-faceted and locally customized, it is still a program -- to their larger agenda of community-driven, outcomes-accountable comprehensive community planning and service delivery. Ultimately, however, even if they can convey the improvements that such a new system of policy making may be able to achieve for children, families, and communities, political acceptance may still face an uphill battle. Legislators and established service provider organizations (who have done well under the existing, centralized, categorical system) may actually feel threatened by the prospect of community collaboratives having more authority over resource allocation for local services than the legislature. Opposition to the current legislative proposal to codify the FIT and the Community Partnerships in state statute stems largely from this concern.

As a result, reform proponents have faced challenges translating their achievements thus far -- informal collaborations in communities and administrative reforms in the executive branch --

³⁸ The Partners themselves conducted an intensive planning process to determine "where should the system go and what exactly are we supposed to be doing here." Siegel and Loman, *Planning Process Evaluation of Missouri Partners*, p. 3.

³⁹ In particular, four overarching aims for change in communities and in state government emerged: ensuring accountability for achieving results, bringing services closer to where families live and children attend school, actively involving community members in decisions that affect their well-being, and using dollars more flexibly and effectively to meet local needs.

into formal policy changes. They have had difficulty, for example, getting legislation passed to codify the existence of the FIT and the Community Partnerships, in order to ensure their survival under the administration of a new governor, after Carnahan concludes his second term in the year 2001. In 1997, only Democrats supported the bill, which was linked to welfare reform and promoted largely by the FIT and the state agencies. In 1998, a number of Republicans signed on to a new bill that was not linked to welfare reform. It has recently encountered opposition from nongovernmental service provider organizations, though, who feel threatened by the fact that it would remove some funding decisions about service delivery from the legislature, and place them in the hands of the Community Partnerships. Some legislators also fear that delegating funding decisions to the Community Partnerships will remove some of their own authority.

At the community level, meanwhile, the strong identification of the Community Partnerships with the Caring Communities program has created some confusion. Two Community Partnerships encountered explicit challenges to their authority and legitimacy from the United Way, the Chamber of Commerce, and other local stake holders when they tried to take charge of local planning for welfare reform. The objection, essentially, was that while the Community Partnerships were recognized as the primary liaison with the state on issues related to school-linked services (i.e., Caring Communities), they did not speak for other members of the community regarding job development and welfare reform. These challenges eventually led one of the Community Partnerships to reconstitute its membership. How the various state and local dilemmas will affect the outcome of the legislative debate and the overall popularity of the larger reform agenda remains to be seen.

5. Impact

a. Outcomes for Children and Families

The Caring Communities evaluation is premised on the idea that the Community Partnerships will develop the capacity to evaluate their own progress on an ongoing basis, by regularly measuring and tracking the Benchmarks that the FIT has designated. The state wide evaluation plan specifies that Benchmark data will be tracked by zip code, in terms of school-wide averages for students enrolled in the Caring Communities schools, and individually for “core clients” identified by each school. The schools, along with relevant state departments, are each responsible for tracking data in current and previous years, to measure specific Benchmarks in the areas in which they each keep records. The aim is to gather information to show the front-line collaboratives, community partnerships, and state collaborative “how the benchmarks are changing for Caring Communities’ neighborhoods, schools, and core clients,” as well as “how these changes compare to similar neighborhoods, schools, and individuals...”⁴⁰

⁴⁰ Data tracking responsibilities are as follows: schools are to provide information on suspensions and expulsions, immunization at kindergarten enrollment, school absences, kindergarten readiness, grades, reading and math test scores, grade retention, high school graduation; the Department of Labor and Industrial Relations is to provide information about employment, earnings, and retention of employment; the Department of Social Services is to provide information about substantiated incidents of child abuse or neglect, out-of-home placement for child abuse or neglect, and delinquency and habitual delinquency; the state Department of Health is to provide information about: immunization at age two, hospitalizations due to injury, preventable hospitalizations, and teen pregnancy; the state Department of Mental Health is to provide information about out-of-home placements for psychiatric reasons.

Controlled outcome data identifying the concrete impact of Missouri's various reforms are not available. Base line data for selected Benchmarks have nevertheless been gathered in Caring Communities neighborhoods as part of the evaluation, which is comparing these data to state wide data. These data indicate that, "*Caring Communities are currently in the neighborhoods with the highest needs, in the schools with the highest needs, working with the children and youth with the highest needs.*" This suggests that Caring Communities have been targeted where they are most needed."⁴¹

Moreover, though the findings cannot be attributed directly to the work of the Caring Communities sites or the Community Partnerships by themselves, preliminary comparisons of data for selected benchmarks suggest that "*Things are changing for the better for children and youth in Caring Communities (and are getting better faster than in the rest of the state).*" In particular, between fiscal year 1996 and 1997:

- **"Substantiated child abuse or neglect** decreased 7% in Caring Communities neighborhoods and 5% state wide.
- **"New commitments to the Division of Youth Services** increased state wide but decreased 20% in Caring Communities neighborhoods.
- **"Recommitments to the Division of Youth Services** decreased 4% state wide but 43% in Caring Communities neighborhoods."
- Suspensions from school were lower among core participants in Caring Communities than in Caring Communities schools as a whole, at least in the sites reporting these data.
- Core participants in Caring Communities missed fewer days of school due to absence than did the general student population in Caring Communities schools, at least in the sites reporting these data.

Between 1995 and 1996:

- **"Hospital treatment because of injuries** decreased 3% state wide, but 6% in Caring Communities neighborhoods.
- **"Preventable hospitalizations** decreased 16% state wide, but 24% in Caring Communities neighborhoods."⁴²

Close examination of the initial data suggest that changes in the Benchmarks in Caring Communities neighborhoods reflect some negative developments as well:

- "The rates of out-of-home placement because of abuse or neglect have risen in Caring Communities' neighborhoods faster than [in] the rest of the state," although placement rates have started out considerably higher in Caring Communities neighborhoods, and among core Caring Communities participants, than in the rest of the state.

Philliber Research Associates, *Using Benchmarks to Chart the Progress in Caring Communities* (St. Louis, MO: Author, 1997), pp. 4-5.

⁴¹ Put another way, "Benchmarks indicate that problems are greater in the [Caring Communities] neighborhoods than in the state [in general] and greater among core [Caring Communities] participants than among other [student]s in the [Caring Communities] schools." Philliber Research Associates, *The Status of Caring Communities*, p. 1 (emphasis in original).

⁴² Philliber Research Associates, *The Status of Caring Communities*, pp. 1, 3, 4 (emphasis in original).

- Out-of-home placements of youth for psychiatric reasons by the Department of Mental Health increased state wide, and increased by a larger percentage in Caring Communities' neighborhoods.⁴³

Comparative data on changes in the other Benchmarks are not yet available.⁴⁴ Even for the data that are available, the evaluation findings do not attribute any direct impact to Caring Communities for the changes identified here. Despite the limits of the knowledge available thus far and the negative changes in a few of the Benchmarks, the preliminary data from Caring Communities neighborhoods suggest that more positive changes are happening throughout the state in communities where the program is active than are happening in other communities.

b. Systemic Changes Achieved

In addition to the outcomes for children and families that the benchmarks measure, process studies of Caring Communities sites and the Community Partnerships have identified more impressionistic "contributions" that the initiative has made in local communities. The contributions of the individual Community Partnerships cluster into five broad categories:⁴⁵

1. significantly expanding the availability of services and supports for children and families in poor neighborhoods;
2. bringing parents and other service consumers into the process of planning services, and increasing their knowledge of local services and resources;
3. building and strengthening communication, resource sharing, and other linkages among various local stakeholders and collaboratives, and among neighbors and community members;
4. improving local attitudes toward the state agencies, and strengthening community residents' abilities to communicate their needs and concerns to state officials;
5. laying the ground work for larger changes in public systems and policy making approaches, (e.g., by leveraging financing to improve collaborative service delivery, or creating new approaches to cross-agency training).

Despite the improvements in outcomes and infrastructure achieved at the community level, concrete changes in state wide systems and policies are harder to identify. Committed reformers within the state agencies have made progress building vertical partnerships between the state and local levels in their work with the Community Partnerships and the Caring Communities sites. Internal systems changes in the core operations of the state agencies themselves, however, have lagged behind. The reformers within the state agencies feel that the local sites have not pushed the state agencies to change their overall systems as much as they might have. At least one of the state agency heads is currently pushing her counterparts to press for more introspection and systemic reforms within the state agencies.

⁴³ Philliber Research Associates, *The Status of Caring Communities*, pp. 2, 4.

⁴⁴ Data on the number of people employed, retention of employment, earnings of people employed, and teen pregnancy (other core Benchmarks) are not yet available. Data on many of the other Benchmarks are currently only available in base line form for single years, or in just one or two Caring Communities sites, which does not permit comparison over time or place. Philliber Research Associates, *The Status of Caring Communities*, p. 2, 4, 6.

⁴⁵ These five clusters represent my attempt to group and summarize the contributions of the Community Partnerships identified in Rozansky, *Navigating the River of Change*, pp. 22-43.

At the same time, local actors continue to express a desire for those above them to grant them more flexibility and authority -- the Community Partnerships in relation to the state agencies, and the Caring Communities sites in relation to the Community Partnerships. Whether these concerns are generic complaints or concrete reactions to specific grievances that have come up repeatedly is unclear. Some of the Community Partnerships have nevertheless begun to recognize that they can try to exert more power over state policy and agency operations, rather than simply making *ad hoc* requests of the agencies to help facilitate the implementation of their local plans.

Finally, most of the changes that have occurred are informal, or at best administrative and programmatic, rather than codified in legislation and embodied in new systemic operations. The interagency budget for Caring Communities has come from new federal and state funds, and does not include core funds for main stream human services. The FIT and Community Partnerships remain creations of Executive Order, and, while legislation has been proposed in each of the last two years to codify them, it has yet to pass. Ultimately Missouri's systemic reforms still consist primarily of a series of ambitious program innovations -- in school-linked services, in family preservation and child protection, in juvenile justice -- with some informal interagency and state-local partnership efforts wrapped around them. While these accomplishments put Missouri at the forefront of the movement toward interagency and state-local collaboration, they do not yet constitute an institutionalized system of collaborative adjustment, and may fade from view if key reformers leave the state agencies.⁴⁶

c. Prospects for Institutionalization

These pages have illustrated the systemic changes that have emerged in the operations of Missouri's state government: a variety of state and federal program funds are pooled and allocated in response to local priorities and strategic plans for the delivery of human services, which are identified collaboratively by local residents and community organizations rather than by state officials. Reform proponents deliberately opted to develop their reform ideas and prototype institutions in the executive branch at first. They sought only a Caring Communities budget, rather than an organizational mandate, from the legislature, so that they could experiment and see what kinds of new interagency responsibilities and state-local relationships worked before setting them out in legislation. This approach has permitted considerable freedom in terms of local governance structures, and flexibility in state agency operations.

The state Department heads and their Deputies, however, remain the sole champions of the larger systemic reform agenda at the state level.⁴⁷ They have had difficulty encouraging their line staffs to revise the way they operate so as to work more directly with communities. The informality and vagueness of the new responsibilities of the state agencies have led to confusion as well as anxiety on the part of mid-level state officials, who are accustomed to working within

⁴⁶ This assessment is my own, but it draws heavily on interviews with close observers of Missouri's reforms, including staff of the Annie E. Casey Foundation and the Center for the Study of Social Policy (1998).

⁴⁷ They lost a key member of the original group of reform architects in 1997, when the director of the FIT resigned. They used this setback as an opportunity to embed ownership and direction of the initiative more firmly within the state agencies. The Deputy Director of the Department of Social Services took over as the chair of the FIT and as the state's point person in working with the Community Partnerships.

organizational structures that clarify their formal responsibilities. Resistance to the reform agenda among mid-level bureaucrats thus stems at least as much from uncertainty as from point-blank defense of their own self-interests.

The Community Partnerships, in consequence, continue to operate outside the main stream of the human services delivery system that is supported by core state and federal funds. Reform proponents therefore view the current challenge as one of merging Caring Communities and the main stream service delivery system.⁴⁸ Critical relationships must be built between state-level reform proponents and the branch officials of the different state agencies at the local level. Some of the branch staff are heavily involved with their local Caring Communities sites, but tensions and disagreements have arisen in other sites between county branches of state agencies and the local Caring Communities partnerships.⁴⁹

The direct work that the Caring Communities Coordinators in each state agency have done with the local sites has nevertheless helped convince community participants that at least some state officials are helpful, trustworthy, and interested in supporting local innovations. The Caring Communities program is extremely popular at the local level, and participants in it have a new appreciation for state government. Being able to set local priorities for a state-funded program and make requests for changes in state practices has given them a new sense of their efficacy as citizens. When local participants express enthusiasm to their state legislators, moreover, the legislators quickly understand the appeal.⁵⁰

The legislature, as a result, finds Caring Communities very attractive as a program, but has yet to grasp the significance of the larger systemic reforms that the state agency Directors and their deputies are pursuing. Reform proponents have difficulty generating understanding and enthusiasm among the public and in the legislature for the Community Partnerships and their larger reform ambitions. In large part this is due to the overwhelming local popularity of the Caring Communities sites. In contrast to a concrete local program like Caring Communities, the policy making role of the Community Partnerships seems vague and abstract. The public associates changes and improvements in their neighborhoods and in state government with Caring Communities as a school-linked services program, but does not associate them with the systemic changes in governance, financing, and accountability mechanisms that reformers are pursuing.

Despite these challenges, the larger reform agenda to adapt the state's policies, regulations, resources, and operations to support the design and implementation of collaborative, community-driven integrated service strategies remains viable. As in the other states in this study, the state government's direct support for community collaboration has changed fundamentally the way that service providers, consumers, community members, and others work with one another -- at

⁴⁸ They recognize full well that "this mainstreaming can both increase the commitment and increase the resistance of stakeholders as it truly represents systemic change." Rozansky, *Navigating the River of Change*, pp. 18-19.

⁴⁹ One state official attributed these difficulties in part to reformers not doing enough up front to show local agency staff how they might work closely with the local Caring Communities sites. She and her state-level colleagues encouraged the Caring Communities participants to seek out local agency staff, but may not have indicated strongly enough to local agency staff that they too could benefit from working with the Caring Communities sites.

⁵⁰ According to one Community Partnership director, for example, a state legislator from her district "goes back to [the capitol] and talks up what we're doing and raves about Caring Communities to her colleagues."

least in the leading sites. Whether this new spirit and the improved working relationships among potential partners continues to spread to new communities and eventually transforms the structure of state government agencies and programs remains to be seen. Preliminary evaluation results and anecdotes from leading communities nevertheless suggest that Missouri's reform initiative has already fostered some notable improvements for children, families, and communities.

D. Summary: Similar Themes and Achievements in Georgia and Missouri

Systemic reforms in Georgia and Missouri initially benefited from the ingenuity of creative, experienced agency heads who enjoyed strong support from their Governors. In both states, moreover, these reform architects built state wide reform agendas and operating frameworks around the activities of energetic local entrepreneurs -- in Savannah, Georgia, and in the Walbridge neighborhood in St. Louis, respectively. Together with other local collaboratives around the state, these community leaders have been instrumental in demonstrating what the rather abstract concept of "state wide systemic reform" can achieve in real neighborhoods on behalf of children and families. Leading local sites have thus served as both spring board and show case for the state wide reforms. Both the leading sites and the state wide initiatives, in turn, have inspired, assisted, and validated collaborative efforts in other local sites that have emerged later, with less commitment and participation, or with less energetic and visionary leadership. In short, multiple leverage points at the state and local level mutually reinforced one another in both states.

Despite their political successes in cultivating local allies, reformers in both states have had difficulty shoring up legislative support for their efforts -- more so in Missouri than in Georgia. Missouri has partially compensated for this by the fact that one core reform architect remains in office as Director of the state Department of Social Services, and several other state agency heads are strong supporters of the reform agenda. In Georgia, in contrast, support within the state agencies has been more rhetorical than visionary since the departure of the original reform architects in the mid-1990s.

The other critical similarity is that neither state set its reform agenda and operating framework in stone from the beginning. Rather, reformers deliberately adopted open-ended approaches to designing their initiatives. In Georgia, this approach created opportunities for leading local sites to inspire, or at least request, changes in state policies and agency operations. The specifics of Missouri's approach to state-local relations were driven more by state-level reformers working from the top-down, who worked hard to remain open-minded about how local collaboratives and state agencies would relate to one another under the emerging system.

These open-ended approaches enabled reformers in both states to adapt their designs over time, even as they pursued the basic goal of establishing new collaborative relationships across agencies and between the state and local levels. In Georgia, adaptation has made possible the creation of more formal governance arrangements to compensate for the decline of commitment to reform within the state agencies. The fact that the reform agenda was able to survive a decline in leadership within the state agencies is a testament to the robustness of the intergovernmental reform coalition created by the development of strong, capable local sites. Adaptation in

Missouri has encompassed the gradual addition of new state agencies (Labor and Industrial Relations in 1995, Corrections and Economic Development in 1997) and policy areas (e.g., welfare reform and job creation) to the community-based collaborative agenda. The addition of these new players and policy areas suggests that, by taking advantage of opportunities to revise the design of their initiatives, reformers can build new political alliances and leverage points. Considered together, then, the systemic human services reforms in Georgia and Missouri demonstrate the potential linkages between the change strategies of iterative learning and multiple leverage points. With strategic thinking and a bit of luck, astute proponents of reform can pursue both system design and political management concerns simultaneously and successfully.

IV. Iowa and Minnesota: Generous Traditions and the Importance of Iterative Learning

A. Introduction to the State Policy Environments

In contrast to Georgia and Missouri, Iowa and Minnesota both have a reputation for providing more generously for children and families than most other states. While Minnesota's overall level of social welfare provision is higher, over the last decade Iowa has funded a number of innovative services to help families move from welfare to work.⁵¹ Compared to other states, both Iowa and Minnesota offer relatively high benefits for families on public assistance.⁵² Minnesota also has a strong commitment to funding child care and early education programs, though Iowa's commitment in this area is not particularly noteworthy compared to other states.⁵³ Finally, both states fund an array of comprehensive early childhood programs for young children and families.⁵⁴

A common sense notion -- that states that lead others in social provision also tend to lead in social policy innovation -- seems to be borne out by Iowa's and Minnesota's emergence at the forefront of the national movement to make human services more collaborative and community-driven. The relatively small and homogeneous populations in both states could, one might hypothesize, be so rich in social capital that the successful adoption and implementation of

⁵¹ Two examples are most prominent. The first is the state's social contract approach to welfare reform, in which the state offers each family specific services for a particular period of time, after which the parent must be working or else renegotiate the contract. See Center for Law and Social Policy, "Welfare Reform Without a Lifetime Limit: The Experiences of Utah, Minnesota, and Iowa," *Family Matters* (Fall 1995 and Winter 1996) 7(4) and 8(1). The second is the Family Development and Self-Sufficiency (FaDSS) program, which offers intensive services and case management to families at risk of long-term dependence on welfare. See Harvard Family Research Project, *Innovative States: Emerging Family Support and Education Programs* (Cambridge, MA: Author, 1992).

⁵² In January 1994, Iowa's maximum AFDC benefit level for a family of three was \$426; Minnesota's was \$532; the corresponding benefit level in the median state was \$366. Committee on Ways and Means, U.S. House of Representatives, *Overview of Entitlement Programs*, pp. 375-77.

⁵³ Minnesota ranked fifteenth (out of 50) in the nation in terms of its per capita commitment on child care and early education, spending \$69.32 per child on such programs in 1994. Iowa ranked thirty-fifth in the nation in terms of its per capita commitment to child care and early education, spending \$40.70 per child in 1994. See Adams and Poersch, *Who Cares: State Commitments to Early Care and Education*, pp. 85, 93.

⁵⁴ Examples include Early Childhood Family Education, Healthy Beginnings, a Head Start Supplement, and Learning Readiness in Minnesota; and Healthy Families, comprehensive child development programs, and family resource centers in Iowa. See Knitzer and Page, *Map and Track*, pp. 116, 132.

cutting edge policy tools such as collaborative adjustment would be almost a foregone conclusion. Furthermore, Minnesota appears to be a national leader in recent efforts to reinvent government, as evidenced by innovations in public administration and management that have led to the emergence of “post-bureaucratic” features in state government.⁵⁵ In short, both Iowa and Minnesota seem to have policy environments that are especially friendly to policy innovations.

Close scrutiny of the processes and impact of the systemic reform initiatives in both states suggests nevertheless that reformers’ conceptual thinking and strategies for change are also important to the success of such innovations. The case studies that follow demonstrate that the use of iterative learning is critical to ensure the implementation and continued development of the new system, and to lay the ground work for its institutionalization.

Minnesota’s experience, in particular, shows how, despite wide spread support at the state level, systemic reform encountered obstacles in implementation because local collaborators lacked opportunities to develop and pursue their own understanding of the concept. As a result, local collaboratives have thrived in communities with prior histories of collaboration, and some are developing in other sites as well, but the state wide initiative suffers from confusion and a lack of momentum.

In Iowa, in contrast, reform proponents in the legislature and in key communities have spent a decade building enthusiasm and support for systemic reforms within the state agencies and in other communities. They began with a very narrow proposal to address child welfare problems through collaboration in a few local communities, and have gradually expanded it across almost the entire state. In the last few years, moreover, the legislature and the state agencies have begun to extend systemic reforms to additional policy areas and agencies -- most recently, with a new block grant to the counties for early childhood services (which, as indicated above, has been one area of social policy that Iowa has not funded as generously as some other states).

The similarities in the two states’ experiences reinforce the importance of creating multiple leverage points for reform. The differences, meanwhile, highlight the importance of creating opportunities for iterative learning about policy design, rather than prescribing a particular approach and then sticking with it.

B. IOWA⁵⁶

Iowa’s Child Welfare Decategorization Initiative, created by the legislature in 1987, began in two pilot counties and has since expanded virtually state wide. “Decat,” as the initiative is known, established interagency collaborative bodies at the county level that include representatives from county Departments of Human Services (DHS), juvenile courts, Boards of Supervisors, and community-based organizations. The state DHS combines (or “decategorizes”) state and federal funds for a variety of child welfare and juvenile justice services into a pool, and

⁵⁵ See M. Barzelay, *Breaking Through Bureaucracy* (Berkeley, CA: University of California Press, 1992).

⁵⁶ For much of the information in this case study, I thank the state and local officials, as well as the outside policy analysts, who took the time to help me understand the reforms underway in Iowa. This study draws on their remarks during interviews in 1996, 1997, and 1998, as well as on a number of documents (cited in the footnotes below), and the web site of the Child and Family Policy Center (www.cfpciowa.org).

permits each county collaborative to allocate its share to different preventive services and treatments for families at-risk of having a child placed in foster care. The state DHS reviews and approves the service delivery plans that the counties develop in response to local families' needs and gaps in available services, and helps arrange contracts with local service providers to implement them. The state permits the county collaboratives to carry over to the next budget year any resources they save by serving families in new ways.

Decat has inspired a number of different reform initiatives. Other states have since followed the model in one form or another, focusing on different service populations and including various community partners (though not all have included the incentive to save and reinvest state funds). In Iowa itself, the legislature created a new initiative in 1995, called Innovation Zones. The Innovation Zones legislation permits broad county collaboratives to request changes in federal and state funding arrangements, regulations, and policies from a new state interagency board in order to pursue local projects to achieve specific outcomes for children and families. In 1998 the legislature created Community Empowerment Areas, which include and supersede the Innovation Zones. The new legislation granted the Empowerment Areas the same prerogatives as the Innovation Zones, but defined their memberships more specifically, to include a majority of citizens, and gave them explicit responsibility for improving results for young children (ages birth to five).

1. Architects: A Visionary Legislator and Strong Community Leaders

Decat began as the brainchild of then-state legislator Charles Bruner, who now conducts policy analysis and technical assistance on human services collaboration and reform, as director of the Child and Family Policy Center in Des Moines. According to Bruner, the original idea for Decat came from a conversation he had with Doug Nelson, then at the Center for the Study of Social Policy, and now the head of the Annie E. Casey Foundation. Iowa was beginning to fund the Homebuilders family preservation program, in an attempt to save money over expensive out-of-home care for children in troubled families, with technical assistance from the Center. Nelson suggested, in addition, that the state explore ways to pool different funding streams to enable local service providers to serve families more flexibly. Bruner drafted a legislative proposal, and submitted it to the state Department of Human Services, which developed its own proposal. The legislature then developed its own version, with further assistance from the Center and from the National Council of State Legislatures, and passed it in 1987.⁵⁷

The legislature has been directly involved in instigating all of Iowa's systemic reform initiatives - Decat, the Innovation Zones, and now the Empowerment Areas. Shortly after the creation of Decat, local participants in the early sites became strong proponents of systemic reform as well. The subsequent ideas for the Innovation Zones and the Empowerment Areas grew largely out of discussions involving some of these community leaders, Bruner, state legislators, and -- more so as time went on -- officials from the state Department of Human Services.

⁵⁷ Interview with Bruner (1998).

2. Initial Aims: Flexible Funding to Facilitate Responsive Service Provision

When they first came up with the idea for Decat, reform proponents knew that they wanted to improve child welfare services by encouraging innovation in local service planning. They recognized that a community-driven system was the only way to foster the kinds of changes in services and supports that troubled families desperately need, such as more involvement with neighbors, teachers, other family members, and community resources. The initial aim was, in Bruner's words, "to decategorize [funding and services] without de-entitling [children's rights to services]."⁵⁸ That is, decategorization at first was simply a new administrative approach for child welfare services, rather than a gate way to state wide systemic reform and local accountability for outcomes.

From its inception, Decat sought to reduce the number of out-of-home placements (e.g., foster family care, institutional care, out-of-community care) by redirecting child welfare funding to services that are more preventive, family-centered, and community-based. The original design, which continues to the present, established interagency collaboratives at the county level that include representatives from the juvenile courts, local Department of Human Services offices, and county Boards of Supervisors.

Two provisions encouraged counties to collaborate and innovate in case planning and service delivery. First, the state combined thirty different funding streams used for child welfare into a single funding package.⁵⁹ The Decat legislation authorized participating counties to use these pooled funds to offer children and families at-risk of out-of-home placements flexible, responsive, and preventive services so as to reduce the number of placements. Second, it created a fiscal incentive: counties participating in Decat could carry over to the next budget year any resources they saved by serving families in new ways.

Despite Decat's careful design, proponents were not sure it would work at first, so they decided to start with only two sites, which they selected quite strategically, but for different reasons. They chose Scott County, which had a history of interagency cooperation, because it presented very few obstacles to success, and was therefore likely to demonstrate whatever promise the project truly had to offer. At the same time, they chose Polk County, which includes the city of Des Moines and has the most people of any county in the state, because implementation would be challenging, and have the most relevance to other big cities around the country with problematic child welfare systems of their own.

3. Implementation: Elaborating "Decat" and Adding New Policy Tools

Decategorization Initiative: Implementation in Polk and Scott Counties began in 1988. The two sites received technical assistance from the Edna McConnell Clark Foundation, which has been an active national player in the area of child welfare reform over the past 15 years (see the historical account in Chapter Four for details). Both sites began by convening broad working

⁵⁸ Interview with Bruner (1998).

⁵⁹ Some of these funding streams eventually were not included in the pool of flexible funds (e.g., child care); others were added over time (e.g., family preservation).

groups that developed broad goals for their collaborative efforts, enabling the new partners to get to know one another and to create common agendas. A consensus emerged in both sites about the importance of primary prevention services in improving outcomes for children and families, which remains the guiding principle for most sites about how to use Decat's flexibility and funding.

As reformers expected, Scott County's Decat initiative proved particularly successful. The full range of actors in the child welfare field -- the juvenile court, county government, DHS, and nongovernmental service providers -- participated actively in planning and implementation. The participants eventually learned to re-examine their own agencies' roles in service delivery, and even became willing to forego contracts for services that proved less helpful to families. The development of a strong consensus among local stake holders about the importance of primary prevention services, and the need to set aside agencies' self-interests in order to serve families better, ultimately increased trust and cooperation throughout the child welfare community in Scott County.⁶⁰

Polk County, in contrast, encountered difficulties simply keeping its initial group of Decat participants together. Neither the entire system of services nor working relationships among providers were transformed the way they were in Scott County. Polk County's pilot Decat effort nevertheless identified ways in which existing funds for child welfare services could be redirected to new services to improve outcomes for children and families, without increasing the overall level of funding. Those providers who remained in the Decat planning group eventually were able to plan and fund new program interventions that proved effective.⁶¹

After the Polk and Scott County projects were underway, five additional counties were added, creating an initial cohort of seven local projects by the end of 1992. Those seven sites included 35 per cent of the children in the state, and 40 per cent of the state's foster population, so their participation assured reform architects that Decat was firmly established as a new state policy. In response to the popularity of decategorization among participating counties, as well as continued pressures to decrease out-of-home placements, the legislature passed a decategorization statute in 1992. The statute gave all counties in the state more flexibility in spending their child welfare funds, but only counties participating in the formal Decat Initiative were permitted to carry over "saved" funding to the next budget year, which served to maintain an incentive for additional counties to join the initiative. By 1997 the formal Decat Initiative had expanded to 37 project sites that served 91 of Iowa's 99 counties.⁶²

Counties varied in the breadth and the focus of their interagency collaborations. Some began with a broad-based group and narrowed it over time; others started with a small group and

⁶⁰ C. Bruner, *The Decategorization of Child Welfare Services: A Report on Iowa's First-Year Efforts* (Des Moines, IA: Child and Family Policy Center, November 1989), Draft.

⁶¹ Bruner, *Decategorization of Child Welfare Services*, p. 25.

⁶² M. Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning: Lessons Learned in Implementation*, Prepared for the Division of Adult, Children and Family Services, Iowa Department of Human Services (Salem, OR: Human Services Research Institute, August 1995); interview with state official (1996).

expanded as their vision for change developed. Some focused their work initially on interagency case planning for individual families, with front line staff facilitating case planning for families across agencies. Others began their work by examining policy issues and systemic dilemmas across agencies, using local collaborative committees (usually a small Executive Committee, supported by a broader Planning Committee that included service providers and mid-level staff) to carry out systems level work, such as planning and allocating resources across agencies. The process evaluation found that both starting points could lead to the creation of strong local projects.⁶³ Implementation in individual sites depended in large part on the work of local Decat Project Coordinators. In many instances, these leaders provided vision and group-building skills that proved critical in fostering interagency collaboration and maintaining momentum through the long process of developing and implementing the initiative.

Since their inception, the Decat sites have weathered a number of challenges to their efforts. The economic recession of the early 1990s limited the resources that the state could make available for alternative services for children and families. Economic hardship put more stress on some families and may have pushed more of them into crisis or near-crisis conditions -- and hence into the Decat service population -- even as the economic situation simultaneously prevented any increase in public funding for services. Around the same time, Republican Governor Terry Branstad made down sizing government a priority, compounding fiscal pressures on public agencies. In 1993, moreover, the legislature imposed a cap on expenditures for group care arrangements for children, but not for other kinds of out-of-home care (such as family foster care). The cap created an incentive for counties to place more children in family foster care in order to reduce the number of group care placements, rather than to decrease out-of-home placements overall through greater in-home services and prevention. The state's increased use of Medicaid to finance children's services since 1993 has also complicated the efforts of local Decat planners and service providers. While being able to bill some services to Medicaid increases the funds available for those services, it simultaneously limits the flexibility with which those funds can be used, because Medicaid's billing guidelines are stricter than Decat's.

Despite these complications, "the sites coped relatively well with the situation, through strong commitment to their vision, and because of the added flexibility they had through access to decategorized funds."⁶⁴ Decat itself actually helped many front-line staff who confronted these larger policy pressures, by encouraging DHS, Juvenile Court Services, and other service providing agencies to network and share information in order to learn about the range of services that they might offer to families. As a consequence, local collaborators ended up exploring more joint service delivery options than they otherwise might have.⁶⁵

⁶³ In particular, "all collaboratives need to have a systematic basis for their action plans, need to engage a vary broad range of stakeholders, and, most important, need to focus their efforts at both the systems level and the family level. A common theme across the sites was that the project's ability to serve families in a comprehensive way varies directly with its ability to work collaboratively at the systems level; one feeds the other." Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning*, p. 15.

⁶⁴ Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning*, p. v.

⁶⁵ Front line workers reported that "coordination and planning meetings have resulted in better working relationships between DHS/Juvenile Court Services workers and key vendor agencies and a broader base of knowledge about the kinds of services available." Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning*, pp. 41-42.

Expansion Efforts: With Decat increasingly operable and popular, reformers began to push the state to adopt additional policy tools of collaborative adjustment -- such as outcomes-based assessment and state interagency collaboration -- and extend them to other areas of human services in addition to child welfare. In 1995, new legislation gave broad-based local collaboratives (called "Innovation Zones") the option of requesting state assistance to plan and implement new ways to serve all children and families. (Decat, in contrast, applies only to families with children at-risk of out-of-home foster placement.)

The Innovation Zones idea emerged from a county Policy Academy -- a state wide meeting between state officials and representatives from leading county collaborative sites -- sponsored by the Danforth Foundation.⁶⁶ Mark Baty, one of the pioneers of Linn County's cutting edge Decat efforts, suggested that the state permit counties to propose their own local projects for pulling services together across agency lines to serve children and families better. The group drew up a proposal to that effect, adding the provision that counties specify the outcomes they would improve for children and families, and proposing a new state-level interagency Board to streamline the process of approving county plans and assisting local initiatives. Bruner then drafted legislation based on the proposals, and Democratic State Senator Elaine Zimoniak introduced it into the legislature. The basic idea was that the counties would -- with assistance from various state agencies, where necessary -- identify their own goals and plans, as well as the regulations they might need waived and the funding streams they might need consolidated to achieve them. Hence the Innovation Zones initiative created a new tool of collaborative adjustment that Decat had ignored -- the state interagency collaborative -- while encouraging the creation of another (local accountability for outcomes).

By 1998, 16 Innovation Zones had been authorized around the state, and the initial legislation, first passed in 1995, was renewed. A number of the local sites received technical assistance and training from the Casey and Clark Foundations to build their capacity to collaborate. A state Innovation Zone Board, staffed by the state Department of Management, oversees the initiative. Its members include the directors of state Departments such as Health, Education, Human Services, Management, and Work Force Development, as well as citizen members appointed by the governor, and four legislators as ex-officio members.

A state interagency team manages the Innovation Zone initiative. It includes senior officials from each of the Departments represented on the state Innovation Zone Board. The team's work on the initiative has forged new working relationships across the state agencies, as well as between the state agencies and the local Innovation Zone Boards. By one observer's account, cooperation between the state team and the local sites has proven effective at breaking down any regulatory and statutory obstacles that local projects confront, passing funds through to communities based on their comprehensive plans, and creating a deliberative forum to solve difficult local problems at monthly meetings between the state team and local Innovation Zone representatives.⁶⁷

⁶⁶ This paragraph draws heavily on my interviews with Bruner and with state officials (1998).

⁶⁷ Interview with a consultant to the Annie E. Casey Foundation (1998).

After the passage of the Innovation Zones, policy discussions related to children and families in Iowa began to focus increasingly on the question of how to prepare young children to enter school and do well. The popularity of Decat, coupled with the general interest in devolution and local control of policy decisions, led to proposals for an early childhood block grant, or a “Decat for little kids.”

After outgoing Governor Branstad and the legislature worked out the details, new legislation passed in 1998 that folded the Innovation Zones into “Community Empowerment Areas” and gave them a more explicit -- though not exclusive -- mandate to focus on young children. The legislation specified that the Community Empowerment Boards must include a majority of citizen members, and gave them explicit responsibility for improving results for young children and families (birth to five). The state Innovation Zone Board was folded into a new state Empowerment Board, which includes eight citizens appointed by the Governor (with preference for people serving on Community Empowerment Boards); the directors of the state Departments of Education, Human Services, and Public Health; and six non-voting members from the legislature. The state Board is responsible for offering the same type of technical assistance, barrier-busting, and oversight of local service plans that the state Innovation Zone Board was conducting.

These provisions made explicit another policy tool of collaborative adjustment in Iowa that Decat’s exclusive attention to collaboration among local service providers had left implicit and under developed: broad-based community governance including citizens and service recipients. (A majority of each Community Board’s membership must be citizens and elected officials, and at least one of the citizen members must be a person receiving services or the parent of a person receiving services.) The initial focus on improving outcomes for young children also lent impetus to the move toward local accountability for outcomes.

Each Community Empowerment Board must develop a School-Ready Children Grant Plan that identifies: local needs for children ages birth to five, current and desired levels of coordination among different services for that population, all funding available for such services and how it might be used collaboratively, and quantifiable performance indicators on which the community will report progress each year.⁶⁸ Unlike Decat and the Innovation Zones, which provided no new funding to counties, the legislature appropriated \$9 million in federal and state funding for grants to support the Community Empowerment Areas’ service plans for young children and families (\$3.8 from TANF, and \$5.2 million from the state Education Bill). This funding provides the state with leverage to enforce the legislative mandate that the Empowerment Areas focus their planning and service delivery on young children: only those Empowerment Boards that have developed a plan for their School-Ready Children Grant will be allowed to receive funds. In addition, like the Innovation Zone Boards before them, the Community Boards can apply to the state Board and request the pooling of other state and federal funds that would otherwise only be available to their counties in categorical form.⁶⁹ Finally, the Community Boards must coordinate

⁶⁸ V. Elias, “Community Empowerment Areas,” *Iowa Forum* (downloaded from the Iowa Child and Family Policy Center web site <www.cfpciowa.org>, August 27, 1998).

⁶⁹ The particular programs most likely to be reallocated or pooled include: Child Day Care, Head Start, Children’s Health, At-Risk Preschool, Parent Education Programs, and Substance Abuse Assessment and Referral.

their planning and budgeting with their counties' Decat Boards. If both Boards in the same county agree, the Decat Board may operate as a committee of the Empowerment Board.

4. Political Management: Building Support Locally and in State Agencies

Both Decat and the Innovation Zones were relatively easy to get passed in the state legislature because they do not involve new state spending. Moreover, they had the imprimatur of a committed liberal, Charles Bruner, which assuaged potential concerns among service providers and advocates for children and families that they were precursors to cuts in state funding. The early steps of Decat's implementation were so incremental and occurred in so few sites, moreover, that the initiative itself and even the whole concept of community-driven service design were able to take shape and prove themselves without encountering much opposition. Reform architects deliberately adopted an experimental approach, to see if their ideas would work in a few sites (including the difficult case of Polk County), before trying to expand them to additional sites.⁷⁰ The steady expansion of Decat to cover the state, followed much later by the addition of other tools of collaborative adjustment through the Innovation Zones and the Empowerment Areas, illustrate how reformers in Iowa have built slowly and gradually on the accomplishments of local sites to generate political support for reform.

Support from the executive branch of the state was nevertheless in doubt at the beginning of Decat. With most of the impetus and support coming from the legislature and the pioneering counties, the state DHS was a reluctant partner, dubious about the beneficial impact on families of the new funding approach, and leery of relinquishing its direct control over child welfare funding. Top officials in the state DHS took several years to warm to the idea, because of the project's potential to shift control over the use of resources from state officials to local collaborators.

DHS set up a state wide planning committee after passage of the authorizing legislation, which included child welfare service providers (who supported the new initiative heavily), the juvenile court, county governments, various state agencies, the Center for the Study of Social Policy, and the National Conference of State Legislatures. In addition to developing a plan for implementation, the committee's work helped DHS officials develop a sense of ownership of the project -- a project which they might otherwise have had little interest in, since the legislature had initiated it and counties were to implement it.⁷¹ Once implementation was underway in the counties, Decat's marked success and popularity at the local level eventually lent it additional momentum and popularity among state officials. The Central DHS Office, as well as the regional offices, are now strong supporters, and actively encourage the development of new Decat counties, because of the successes that local sites have achieved in both interagency collaboration and improvements in families' stability.⁷²

⁷⁰ Bruner observed, "Our biggest advantage [in the early days of Decat] was that we were operating *sub rosa*, with a deliberate, low-key naiveté about what we might actually achieve." Reformers reaped considerable credit and political support for whatever the local sites accomplished because they did not promise too much up front. (Interview, 1998.)

⁷¹ Bruner, *Decategorization of Child Welfare Services*, p. 5.

⁷² Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning*, p. 27-8.

Implementation of Decat's fiscal incentive scheme has also proved to be a valuable mechanism for building trust between state and the local actors. At the beginning of the initiative, local collaborators were skeptical that the state DHS would actually support their efforts to create new services for families.⁷³ When the state not only approved their local service plans, but then returned the fiscal savings that they generated to the counties, the local participants began to acknowledge that the state officials were committed to reform. By 1993-4, savings from the carry-over provision in the Decat legislation exceeded \$10 million across the state (\$4 million in Polk County alone), and some of the counties began to make concrete decisions for the first time about how to use those funds.

The funding incentive gives Decat considerable appeal among county-level DHS staff as well as elected county officials who sit on the Decat Boards, because it gives them more control over the allocation of state funds. The challenges that county child welfare systems encountered in Iowa in the early 1990s -- the cap on group care and the inception of wide spread Medicaid billing for child welfare services discussed above -- proved more manageable in Decat counties than in others, because Decat enabled counties to create and take advantage of a wider range of service strategies. As a result, non-participating counties began to express interest in joining the initiative. The Medicaid billing option also created a tremendous financial windfall for Decat counties, which increased Decat's attractiveness to other counties even further.

The political draw back of the fiscal incentive is exactly the same as its appeal, however. While the counties like Decat because it gives them more control over fiscal resources, legislative resistance to it occasionally surfaces for precisely the same reason -- that it gives the counties the authority to make decisions about the allocation of state resources. As a result, from time to time the legislature proposes reducing the proportion of savings that counties are permitted to retain from their efforts to prevent out-of-home placements. Such proposals usually provoke vehement outcries from the local level, though, and are usually shelved right away.

In fact, disputes between state and county actors over authority to allocate resources is somewhat of a political fault line running through systemic reform initiatives in Iowa. Passage of the Innovation Zone and Community Empowerment legislation represented additional steps beyond the Decategorization initiative toward bypassing the state agencies and putting decisions about the allocation of state funds in the hands of local actors.

In contrast to the quiet, low-key origins of Decat, the Innovation Zone legislation was passed in 1995, in the midst of the national and state policy debate about devolution, making it a very topical initiative. Without the advantage of operating in the shadows until the local sites developed capacity and expertise, as Decat was able to, the Innovation Zones have encountered close scrutiny from their inception. The state agencies had difficulty deciding how to work together at first, but the initial local sites -- most of them experienced Decat pioneers -- began their own planning efforts without waiting for the state agencies. Once they were able to sort out

⁷³ "'We were slightly suspicious that this would be another initiative where the state wouldn't deliver on its promises,' one of the Scott County planning committee members expressed, 'but, overall, it was an offer we couldn't refuse.'" Bruner, *The Decategorization of Child Welfare Services*, p. 8.

their roles, the state interagency team developed good internal working relationships, and become strong advocates for the Innovation Zones. The members are now working to foster better working relationships among their colleagues throughout the different state agencies. Progress is slow, but team members continue to preach the advantages of cross-agency and state-local collaboration that their efforts have demonstrated to others in the state agencies.⁷⁴

Passage of the Empowerment Areas legislation in 1998 indicates clearly that a variety of state and local policy makers in Iowa are not just comfortable with, but down right enthusiastic about, the move toward community-driven design and resource allocation for human services. Whether the Empowerment Areas prove as successful and popular as Decat, and whether they foster further development of local accountability for outcomes, state-local partnership agreements, and iterative adaptation of state and local responsibilities over time, remains to be seen.

5. Impact

a. Outcomes for Children and Families

Decat sites have achieved significant reductions in the number of children placed outside their homes, as evidenced by the amounts of funding that the counties have been permitted to carry over and reinvest in preventive services each year by avoiding such placements. Beyond this most basic indicator of success, however, the state has not tracked a core set of outcomes for children and families. Even under the Innovation Zones and Empowerment Areas initiatives, legislation specifies that the local sites are responsible for identifying the outcomes they plan to achieve. (In Georgia, Missouri, and Oregon, in contrast, the state has put forward a set of core benchmarks, from which local sites can pick particular ones to focus on.) Evaluation results from Decat therefore focus more on process measures of changes in front-line practices and working relationships among agencies (see discussion below, under "Systemic Changes Achieved").

What outcome data are available -- evaluation results published in August 1995, based on information from the seven earliest Decat sites -- indicate that "group care placements are decreasing, and the destructiveness of placements is lessening."⁷⁵ Data on a number of intermediate process indicators suggest that Decat is having a positive impact on families, service providers, and communities,⁷⁶ but data on other intermediate indicators remain unavailable or

⁷⁴ One member of the interagency team observed (Interview, 1998):

There's no organized core of opposition [within the state agencies], but I think resistance comes from the ways people respond to change. We've been through lots of policy changes here, and people's work loads are so heavy that a number of people are sitting on their hands, waiting and hoping that the impetus toward interagency work and devolution will pass. In my mind, though, this will in fact lead to yet another failure of reform. To get to the future, we have to develop state government staff [so that they] think in a new mode, to be more responsive, to do their work differently than they have in the past.

⁷⁵ M. Kimmich, et al., *Iowa Decategorization and Statewide Child Welfare Reform: An Outcome Evaluation*, Prepared for the Division of Adult, Children, and Family Services, Iowa Department of Human Services (Salem, OR: Human Services Research Institute, August 1995), pp. 48-51.

⁷⁶ E.g., families' knowledge of community resources has grown; more families feel that they work as partners with front line staff; participation in community activities has increased as a direct result of families' participation in

show only mixed results thus far.⁷⁷ More definitive outcome findings were not available at the time of the initial evaluation report.

Evidence from leading sites nevertheless indicates at least anecdotal improvements as a result of particular types of service strategies financed by Decat.

- Family resource centers appear to have a clear positive impact on families' personal support networks, as well as their sense of working as partners with front line staff. Family resource centers or formal case planning mechanisms tend to enable service providers to focus more on the family as a whole rather than only on the specific needs of the child.
- Case facilitators, who bring together all the service professionals involved with particular families, can support the design and delivery of integrated responses to those families' needs. DHS and Juvenile Court Services workers in Dubuque County, for example, find that case facilitation helps them to design and find funding for flexible solutions to families' needs, and hence to work creatively with families.
- The PATCH program in the city of Cedar Rapids (part of Linn County's Decat project) offers drop-in and ongoing access to a range of services to various families -- both those in crisis and those who proactively seek support or assistance -- through a neighborhood office staffed by an interdisciplinary team of service providers. In addition to improvements that staff have observed in the functioning of the extremely troubled families they have served, the fact that a number of families have dropped in to the PATCH office to inquire about support for themselves and their neighbors suggests the program's positive impact thus far.⁷⁸

In general, these and other innovative local efforts have ensured that more families are receiving preventive services. Significantly more preventive services are now provided than were available prior to Decat, but they serve a wider range of families than the child welfare system was serving before Decat began, because counties have relaxed eligibility criteria to reach families before they suffer crises. The aggregate impact on the most troubled families and children thus remains unclear, because some of the new services are going to families who are not in extreme crises, but who nevertheless need preventive assistance -- families who mostly went unserved by the child welfare system before Decat.

Decat programs; families report having greater personal support networks; community agencies have closer relationships, especially regarding joint problem-solving around shared families; some counties are developing common intake, information sharing procedures, and joint training; increased flexibility in funding has given providers the ability to change the services they offer; many new services have been created through Decat, especially those focused on support and prevention, so that the service system is now driven by client needs rather than by categorical criteria. Kimmich, et al., *Iowa Decategorization as A Strategy for Comprehensive Community-Based Planning*, p. 38.

⁷⁷ E.g., there is little indication of the extent to which target families have been reached by Decat efforts; front line workers' availability to families is hard to assess, except for crisis assistance; families' progress toward goals is unevenly assessed and is not aggregated; families have little direct role in making policy; the role of front line staff in Decat planning varies considerably -- no site has direct participation, but some have good avenues for input and feedback. Kimmich, et al., *Iowa Decategorization as A Strategy for Comprehensive Community-Based Planning*, p. 38.

⁷⁸ Kimmich, et al., *Iowa Decategorization as A Strategy for Comprehensive Community-Based Planning*.

b. Systemic Changes Achieved

As the foregoing indicates, overall changes in the processes of funding and delivering services as a result of Decat are more distinctive than the outcomes they have produced for children and families. Four decategorization funding strategies, for example, appear particularly effective in enabling service providers to respond more readily to families' different strengths and needs:

- new Family Assistance Funds enable service providers to respond flexibly to family emergencies and one-time needs, to help families avoid the need for longer-term services;
- flexible local request for proposal (RFP) processes permit providers to offer a wider array of preventive service options, by enabling them to alter what services they provide, where they offer services, whom they serve, and how they coordinate different services;
- including generic, or non-specialized, service providers in decategorization service committees and delivery sites enables sites to tap existing formal and informal services and supports to assist families more effectively in new ways;
- agencies funding joint service ventures together enables staff from the different agencies to work as partners in addressing families' situations.⁷⁹

As these examples demonstrate, Decat has facilitated many helpful changes in local service plans and delivery practices, and state and local participants have gradually built strong working relationships with one another that fundamentally alter the old hierarchical arrangements between the state and the counties. The regular state wide meetings of the Innovation Zone representatives and the state interagency team have extended these relationships to encompass additional areas of human services beyond child welfare, and cemented them into mechanisms to solve local problems on an ongoing basis.

Decat is mainly a new financing strategy instigated by a single state agency, however, and most of its local collaboratives bring only provider interests -- public agencies and service provider organizations -- together. While it has been around for over a decade and is one of the pre-eminent examples of its kind in the country, the Decat program by itself is a less ambitious systemic reform than those undertaken in Georgia and Missouri. Broader systemic changes -- such as state-local partnership agreements that hold local collaboratives accountable for outcomes; local governance featuring parents, service consumers, and lay citizens; and interagency collaboration at the state level -- are only emerging now, as the Innovation Zones and Empowerment Areas Initiatives take shape.

The design of the Innovation Zone and Empowerment Area initiatives, as noted above, relies on local sites to identify and request the changes in state operations, systems, regulations, and funding streams necessary to carry out their local plans. Because the initiatives are so new, state officials have not begun to try to translate individual sites' requests for changes into global changes in state policies and systems. The guidelines for the state interagency Board indicate that the Board is to "consider the applicability of local requests to state wide policy changes." The local efforts are still so young, though, that no one is sure which requested changes ought to

⁷⁹ Kimmich, et al., *Iowa Decategorization and Statewide Child Welfare Reform*.

become uniform at the state level, and which are better left as waivers that apply only to individual sites that request them.

A similar uncertainty exists among state and local Decat participants about best practices in local service plans, and about how the state can best help spread them to additional sites. Precisely because local decisions now govern service delivery and management plans, counties' technical assistance needs diverge, and regularly outstrip the knowledge of state officials.⁸⁰ To make up for the state's lack of capacity to provide technical assistance, the state DHS encourages sites to mentor and network with one another. The joint state-local problem-solving meetings of the state Innovation Board and local Innovation Zone representatives also hold promise in this regard, especially if they expand to encompass more sites as additional Empowerment Areas come on line.

A critical difficulty at this point is that it is much easier to identify and encourage sites to share innovations than it is to know concretely which specific innovations work well and why. Sites can share promising strategies with one another, but no one knows definitively what actually works well and what does not to improve the lives of children and families. The state DHS is therefore pushing local Decat sites to identify outcomes and share their efforts to develop comprehensive data bases that track rates of intermediate outcomes for children (e.g., school suspension rates, dropout rates, etc.). These challenges suggest that recent efforts to add new policy tools of collaborative adjustment -- such as accountability for outcomes and state-local partnership agreements -- to those already established by Decat is quite timely.

While the Innovation Zones represented a notable advance over Decat toward a complete system of collaborative adjustment, the Empowerment Areas really just make more explicit -- and provide state funds for -- activities that counties could already pursue under the Innovation Zones legislation.⁸¹ The Empowerment Areas' new funding, more explicit provisions for citizen representation, and deliberate emphasis on assisting young children and families nevertheless offer benefits, by lending focus to counties' planning and service delivery efforts. Extremely open-ended authorizing legislation that does not specify a target population and leaves the initiative completely in local hands -- as the Innovation Zones essentially did -- can end up creating so many options that local actors are uncertain where to begin their efforts.⁸² Indeed, local anecdotes suggest that the Innovation Zone legislation was most effective in inspiring new local collaborative projects when local actors were pushed from outside.⁸³ In other words, until

⁸⁰ As one state DHS official asked rhetorically, "How can we give the local sites the skills they need to do new things, when we aren't quite sure what these skills are in the first place?" (Interview, 1996.)

⁸¹ Thanks to Charles Bruner for this observation (Interview, 1998).

⁸² I base this assessment on conversations with observers in California and Minnesota who were frustrated with the limited initiative that counties showed after the passage of similarly open-ended legislation in their respective states (Interviews, 1998).

⁸³ According to one Innovation Zone participant, "If we had had the motivation and seen the opportunity, we could have done most of this [truancy prevention project] on our own, without the Innovation Zone legislation. The only help the state has really provided us with so far has been technical assistance in developing a tool to measure outcomes, and a waiver." In describing the evolution of her Innovation Zone Board's project, however, the same informant noted that without the impetus of the Innovation Zone legislation, her collaborative planning group probably never would have started exploring a common agenda. (Interview, 1998.)

state and local actors are fully accustomed to the idea of local initiative on a wide range of policy issues, some focus and impetus from the state (as the Empowerment Areas legislation provides) can help encourage counties to take full advantage of the new opportunities that legislation makes available to them.

c. Prospects for Institutionalization

While its effectiveness in helping families facing severe problems is currently more anecdotal and situation-dependent than systematically proven in a variety of environments, Decat has clearly demonstrated a positive *political* impact across the state. Families facing difficulties, for example, seem to appreciate the increased availability of preventive services.⁸⁴ Community members and service providers also like the additional funding for new services. Interagency case facilitation and other collaborative service delivery activities have engendered “greater ownership in systems reform” by both families and front line workers. The state DHS, while playing only a limited technical assistance role, has gradually become “more supportive of decategorization, and modified its reporting and contracting processes to respond flexibly to sites’ innovations.”⁸⁵ State policy makers now have a very clear sense that the state cannot return to the old system, and Decat is definitively established as a way of doing business in the area of child welfare services.⁸⁶

As indicated above, Decat does not encompass some of the core policy tools of collaborative adjustment for human services, and the extent to which the Empowerment Areas will establish them remains to be seen. Decat has nevertheless laid considerable political and operational groundwork for putting larger changes in motion. In fact, Decat’s relative clarity and simplicity compared to the larger systemic reforms that some other states in my study have undertaken give it several advantages as a jumping off point for additional systemic reforms.

First, the essential concept is relatively easy to understand. Decat’s generic message (“work together to offer more preventive services to avoid out-of-home placements”) is much more readily comprehensible to would-be collaborators than the corresponding instructions to local collaborators in states that are pursuing more ambitious reforms (which tend to be something like, “Develop a comprehensive community plan that promises to improve outcomes for all local children and families”).

Second, the provision that counties can retain the savings they generate by avoiding out-of-home placements creates a clear fiscal incentive for local actors to innovate in order to provide more preventive services. Proponents of more ambitious reforms in other states can offer the appeal of potential savings in the future, and in some cases new funding from the legislature for preventive

⁸⁴ “Decategorization sites offering preventive programs have noted a steady increase in the use of these services over time. There is a growing demand for these types of programs, but little corresponding relief in the demands placed upon traditional services.” Kimmich, et al., *Iowa Decategorization and Statewide Child Welfare Reform*, p. 48.

⁸⁵ Kimmich, et al., *Iowa Decategorization as A Strategy for Comprehensive Community-Based Planning*, p. v.

⁸⁶ As one state official put it, the project has reached “critical mass” in terms of the number of local sites, and observers now recognize that, “This isn’t going to go away.” (Interview, 1998.)

services. No other state in my study, however, has created an incentive scheme that has already returned dollars to counties in direct response to their own innovative service provision efforts.⁸⁷

Finally, by limiting local collaboration to public agencies and service provider organizations, Decat may have helped buy service providers in to the concept, creating a basis to expand the local collaboratives gradually to include service consumers, lay citizens, and business representatives in the future (as the Empowerment Areas do). In contrast, more ambitious local governance initiatives, which include lay citizens and business representatives from the start, can sometimes feel frustrating or threatening to service providers.

These potential benefits of Decat's limited ambitions are speculative, and some analysts may disagree with them.⁸⁸ Iowa has also been slow to develop other policy tools of collaborative adjustment, such as interagency collaboration at the state level, and local accountability for outcomes. The firm political and operational footing that Decat -- whatever its current guise -- possesses after a decade cannot be disputed, however, and some of its success may be due to the simplicity and clarity of its focus. The fate of current efforts to expand systemic reforms to encompass new policy tools (accountability for outcomes, state interagency collaboration, broadly inclusive local governance collaboratives) and policy areas (e.g., the Empowerment Areas' focus on young children) will provide insights into whether Iowa's conceptual gradualism serves as a developmental advantage or hindrance over the long run.

C. MINNESOTA⁸⁹

Minnesota's efforts to reform its service system for children and families dates to the creation of a bipartisan, public-private planning group called Action for Children by Republican Governor Arne Carlson in 1991. Several initiatives featuring some of the policy tools of collaborative adjustment have emerged since then. Minnesota's local Family Service Collaboratives were created by legislation in 1993, for example, with the support of the Governor and the legislature. The Collaboratives may encompass communities, school districts, or counties; must include a county government, local school districts, and a public health or mental health agency; and are administered by the state Department of Children, Families, and Learning (the successor to the Department of Education). Simultaneously, the legislature created local Children's Mental Health Collaboratives, which must include a county, a mental health organization, and a school district, and are administered by the state Department of Human Services. The legislature provides modest funding to both types of Collaboratives to support their efforts to coordinate and fill gaps in existing services for local children and families. The Governor's Children's Cabinet oversees the local Collaboratives' efforts, and sets the overall policy direction for children and families in the state. Finally, an Interagency Planning Group at the state level, consisting of

⁸⁷ While I did not study it, Maryland's Systems Reform Initiative contains a similar provision to Iowa's, permitting county collaboratives to retain portions of the savings they generate by preventing out-of-home placements.

⁸⁸ Staff of the Center for the Study of Social Policy, for example, have explicit concerns about the restricted membership of the local Decat collaboratives (Interview, 1998).

⁸⁹ I am greatly indebted to the many state and local officials in Minnesota who took the time to talk to me about their reform efforts. This study draws on my interviews with them in 1996, 1997, and 1998, as well as on the state and local planning documents cited in the footnotes below.

Assistant Commissioners from various state agencies and representatives from the local Collaboratives, coordinates the state agencies' efforts to support the local Collaboratives.

1. Architects: Broad Executive and Legislative Support

Governor Carlson took several steps to support systemic reform and the establishment of local collaboratives for children and families in the early 1990s. In addition to creating Action for Children, in 1991 Governor Carlson also initiated Minnesota Milestones, a state initiative modeled on the Oregon Benchmarks, which sets benchmarks that include measurable outcomes for children and families. After gathering citizen input through community meetings, the state established twenty common goals for state agencies, along with 79 indicators to measure their achievement. The state Children's Cabinet (comprised of the departments of Education, Health, Human Services, Economic Security, Corrections, Transportation, Finance, Public Safety and Administration, as well as the Housing Finance Agency and Minnesota Planning), created in 1992, developed specific strategies to meet the benchmarks related to children.⁹⁰ Minnesota Planning – a state research, development, and planning agency – played a central role in creating the Family Service Collaboratives and in setting the agenda of the Children's Cabinet.

The state legislature was also enthusiastic about the idea of local collaboration and systemic reform for children and families. Many legislators had received complaints from their constituents about children who had failed to receive services that they desperately needed because of gaps in the existing system of services, and saw local collaboration as a way to fix those gaps. Democratic proponents of state support for local collaboratives, moreover, were careful to include Republican leaders when they were debating and drafting legislation, thereby ensuring bipartisan support for the idea.⁹¹ In 1995, the legislature provided even more money than the Governor had requested to fund the Family Service Collaboratives, so the initiative expanded even more quickly than state agency officials had planned.

In addition to the work of the Governor, Minnesota Planning, and the legislature, the Children's Initiative of the Pew Charitable Trusts had a substantial influence on the direction of Minnesota's reforms. The Children's Initiative was a very ambitious, ten-year effort to improve child health, child development, school performance, and family functioning and stability, by changing service systems for children and families on a state wide scale in a handful of demonstration states. Minnesota was one of five states to receive planning grants for the Children's Initiative (which also supported collaborative activities in Georgia). The Initiative stressed the creation of universally accessible family centers in neighborhoods, staffed by a new form of generalist front-line worker, and offering comprehensive health, early childhood education, social services, referrals, and other assistance to families. Interagency governance collaboratives at the county and state levels were to support and oversee the work of these centers. The aim was to subsume all existing agencies, programs, and services for children and families in this new system. While the Pew Trusts never funded the implementation of the Children's Initiative, its plans for service

⁹⁰ J. Knitzer and S. Page, *Map and Track: State Initiatives for Young Children and Families* (New York: National Center for Children in Poverty, 1996), p. 122.

⁹¹ Interview with former state legislator (1998).

delivery through family resource centers and policy making through interagency collaboratives had a significant impact on Minnesota's systemic reforms.⁹²

2. Initial Aims: Changing Systems through Local Collaboration

The strategic plan developed by Action for Children, *Kids Can't Wait*, contained a series of recommendations about policies, programs, and services affecting children and families. One of its suggestions was that local interagency collaboration could help change the system of services for children and families to make it more responsive to their needs.

Inspired by this possibility, both the Democratic state legislature and Republican Governor Carlson supported legislation in 1993 to fund Family Services Collaboratives to integrate services for children and families. The Pew Charitable Trusts funded another three local collaboratives to work on improving outcomes for young children (birth to age six) and their families. In addition, in 1993 the legislature and the Governor established the Children's Mental Health Integrated Fund, to provide start-up funds to help local Children's Mental Health Collaboratives design an integrated children's mental health service system. (The state eventually required communities receiving funds for both a Family Service and a Children's Mental Health Collaborative to consolidate their planning efforts for the two.)⁹³

The Family Services Collaboratives were required to include at least one school district, one county, and one public health entity, as well as broad representation from the community (e.g., local providers of education, health, social services, and corrections, as well as additional school districts, local governments, community-based organizations, nongovernmental organizations, local foundations, businesses, and others). Partners had to commit in writing to providing coordinated family services, and to pooling their own resources in a joint fund dedicated to improving results for children and families. The legislation emphasized the design and implementation of "an integrated local service delivery system for children and families that coordinates services across agencies and is client centered." It also encouraged the local collaboratives and the state agencies to develop and utilize many of the basic components of systemic reform.⁹⁴ The Children's Mental Health Integrated Fund, meanwhile, was established to provide start-up funding to help local collaboratives carry out most of the same functions to design and integrated children's mental health services system.

More than mere planners of new service strategies, the Family Service Collaboratives were seen as "*the* new decision-making and resource allocation entity for children and families." State

⁹² See Chapter Four for details on the development and sudden demise of the Pew Children's Initiative. Minnesota eventually received partial funding to support collaborative service delivery efforts in a few communities.

⁹³ L. Bloomberg, D. Ingram, and P. Seppanen, *Minnesota's Family Services Collaboratives: A Summary of Outcome Evaluation Plans and Progress Reports*, Presented to the Children's Interagency Technical Assistance Team (Minneapolis, MN: Center for Applied Research and Educational Improvement, University of Minnesota, January 1996), p. 2.

⁹⁴ E.g., outcome goals, comprehensive planning, pooled funding, coordinated services, family-centered services, parent and community involvement, accessible and improved services, identification and removal of programmatic and regulatory barriers to coordinating services. M.S. 121.8355 Family Services and Community-Based Collaboratives (State Statute, 1993).

officials wanted the advanced Family Service Collaboratives to develop joint powers agreements, function as collaborative fiscal agents, and become the administrators of federal block grants for services for children and families (if and when they came about).⁹⁵ Under this scenario, the state agencies would identify clear outcomes for the Family Service Collaboratives to achieve, and then develop data and techniques to measure their achievement.

3. Implementation: Local Collaboration Amidst State Restructuring

Led by Minnesota Planning, the Children's Cabinet designed and oversaw the initiatives at the state level. Thirteen sites received implementation grants averaging roughly \$200,000 apiece in 1994, and 22 sites received smaller planning grants; 19 received implementation grants in 1995.⁹⁶ Sites were funded for five years, with the amount decreasing in the last two years of the cycle. Minnesota Planning issued the initial request for proposals for the Family Services Collaboratives, and administered grant funds during the early stages of the initiative. The Department of Human Services administered the Children's Mental Health Collaboratives. By 1997, 58 sites (covering geographic areas containing over 90 per cent of the children in the state) had received implementation grants for either a Family Services Collaborative or a Children's Mental Health Collaborative, supported by a legislative appropriation of \$14.5 million for 1997 - 1999. A state interagency management team called ChITA (for Children's Interagency Technical Assistance) was created in 1994 to offer planning assistance, consultation, and troubleshooting to both the Family Services and the Children's Mental Health Collaboratives.⁹⁷

The Family Service Collaboratives are responsible for assessing local needs and gaps in services, improving the delivery of existing services, and offering new ones where necessary to address the needs and gaps they identify. Most of the local sites followed the model proposed by the Pew Children's Initiative -- basic service delivery through neighborhood family centers, supported and overseen by collaborative governance structures at the county and state levels.. The Children's Mental Health Collaboratives, in contrast, deliver direct services based on state guidelines. As a result, the state has more direct influence over their activities than over those of the Family Service Collaboratives.

A major disruption developed at the state level soon after the Collaboratives were funded. In 1995, the Children's Cabinet and the Legislative Commission on Children, Youth and Families replaced the Department of Education with the new Department of Children, Families, and Learning (or "Minnesota Children," as it is called). Minnesota Children brings together within the same agency most programs for young children and their families, including public school programs, child care, Head Start, and the Family Service Collaboratives.

⁹⁵ Interview with state official (1996).

⁹⁶ Children's Cabinet/Minnesota Planning, "Family Services Collaboratives: 1995 Report" (St. Paul, MN: Author, February 1995), p. 1.

⁹⁷ D. Ingram, J. Colby, and P. Seppanen, *Minnesota's Family Services and Children's Mental Health Collaboratives: A Summary of Two-Year Outcome Reports*, (Minneapolis: Center for Applied Research and Educational Improvement, University of Minnesota, September 1997), p. 2; J. Knitzer and S. Page, *Map and Track: State Initiatives for Young Children and Families* (New York: National Center for Children in Poverty, 1996), pp. 122-23.

The Department of Human Services (DHS -- which administers the Children's Mental Health Collaboratives) simultaneously underwent internal restructuring as well. Starting in 1993, the state DHS changed its role in relation to county human service departments. Instead of monitoring counties' compliance with state policies, it began to encourage local departments to set their own goals based on client outcomes, and to identify them in annual service plans they submitted to the state. DHS developed a guidebook for local planners to help them develop and use client-focused outcomes, provided on-site trainings, and facilitated local decision-making sessions.⁹⁸

Once Minnesota Children began operating, it took over administration of the Family Services Collaboratives from Minnesota Planning. Hence not only were Minnesota Children officials scrambling to secure new roles in a new agency when they started managing the Family Service Collaboratives, they also had to adapt the Family Service Collaborative initiative to the work of an operational state agency, from the operations of a specialized planning agency (Minnesota Planning). The development of the Family Service Collaborative initiative by Minnesota Planning officials brought a valuable perspective to the collaborative reform from "outside the system." Their limited expertise with the actual operations of "the system," however, meant that the Family Service Collaboratives were somewhat unprepared for their integration into the operations of a new operational agency with a variety of other programmatic functions (Minnesota Children).⁹⁹

Another minor disruption occurred in 1996, when ChITA was disbanded because state officials perceived it as ineffective.¹⁰⁰ It was replaced by the Interagency Policy Group (IPG), which includes representatives from some local collaboratives, assistant commissioners from the state agencies, and parents. The IPG oversees the coordination of state services to support local systems change efforts, advising state and local interagency efforts and providing technical assistance through five Focus Teams (on Governance, Finance, Service Delivery, Information Management, and Evaluation), which include state staff and members of local collaboratives. The Focus Teams have begun to serve as a vehicle for joint brainstorming and problem solving to assist local sites with problems they face. The Teams hold monthly state wide meetings, at which representatives from the local Collaboratives and the state agencies work together to identify and solve local problems. They have not yet expanded their ambit to begin identifying changes in state policies that might support local collaborative activities, and are only beginning to provide systematic technical assistance to a broad base of local sites. They have nevertheless proven effective at helping individual sites resolve their own particular problems.¹⁰¹

Despite courting chaos with large and small organizational changes, the state has taken several concrete steps to create incentives to encourage more service planning and delivery through the

⁹⁸ B. Brown, G. Kirby, and C. Botsko, *Social Indicators of Child and Family Well-Being: A Profile of Six State Systems* (Washington: Child Trends, Inc., May 1997), Draft, p. 49.

⁹⁹ Interview with state official (1996).

¹⁰⁰ "ChITA never had a well-defined purpose." Members thought they were supposed to 'bust barriers' [provide regulatory relief to support local collaboratives' activities], but at the beginning the local sites just needed help getting people to come to meetings.... They would send reports of problems off to state agencies, but never follow up [to see if they were addressed]." Interview with former state legislator (1998).

¹⁰¹ Interview with former state legislator (1998).

local Collaboratives. In 1995, for example, the state negotiated with the federal government and created the Local Collaborative Time Study, which permits school districts and other local government agencies to bill selected services for children and families to Medicaid. In essence, it creates a fiscal incentive for local agencies to collaborate, by permitting them to claim federal Medicaid funds for services they provide to eligible children and families as long as those services are planned by a local Family Service or Children's Mental Health Collaborative. Local collaboratives are permitted to retain all of the Medicaid reimbursement money, as long as they spend it on collaborative activities. Collaboratives can use the additional financing created by the Time Study to fund new services for children and families.¹⁰²

In 1995, the state legislature took another step to enable counties and local service providers to use funds for services for children and families more creatively, by creating "local funding consolidation," administered by Minnesota Children. The legislation allows local Minnesota Children grantees and their partners to blend or pool funds from different categorical programs that serve children and families, and then use the funds to achieve outcomes that the local partners agree to with one another and with the state. Few sites have taken advantage of the flexibility that the legislation permits, however, because the state established few incentives and made little effort to lay the groundwork to encourage local initiative.¹⁰³

Even more recently, Minnesota Children has begun to identify core outcomes for children and families, to use to track the accomplishments of the Family Service Collaboratives. These outcomes may become a mechanism to hold local sites accountable for their work in assisting children and families. In this sense, it goes beyond the mere establishment of the Minnesota Milestones, which represented a state wide declaration of intent and commitment, but lacked an operational accountability mechanism. State officials with whom I spoke, however, do not (yet?) see outcome measures as vehicles for comparing different sites' accomplishments, or as sources of information about how to target technical assistance to help improve local efforts. Instead they plan to use the outcome measures primarily to assess and publicize local achievements.¹⁰⁴

Finally, the legislature has just established a new integrated committee structure. It will make possible more comprehensive analysis and consideration of programs and budgets supporting services for children and families, in ways that cut across existing departmental and disciplinary categories. Its impact on policies, administrative systems, service delivery, and ultimately the well-being of children and families remains to be seen.

4. Political Management: Supporting Skeptical Local Partners

The initial support of the Governor and the legislature for the idea of systemic reform established a conducive framework within which local collaborators were able to drive the agenda of

¹⁰² The Hennepin County Alliance for Children and Families has a long-term aim of asking neighborhoods to declare the outcomes they want to achieve for children and families, and then disseminating the saving from the Time Study according to priority outcomes. Interview with county official (1998).

¹⁰³ The design of Minnesota's local funding consolidation drew heavily on a piece of legislation from California, AB 1741 (which has faced similar problems inducing local initiative). Interview with state official (1998).

¹⁰⁴ Interviews (1998).

collaboration forward in their own communities.¹⁰⁵ Minnesota Planning's planning and promotion activities focused state and local attention on the potential of local collaboration to improve services and systems for children and families. The political promise of local collaboration as a solution to the fragmentation of the human services system may have encouraged the state to expand the initiative more quickly than state officials and would-be local collaborators were prepared for. While some state officials pushed for starting the local collaborative initiative in a handful of pilot sites, for example, the political appeal of distributing funds to communities around the state induced the legislature to fund over 50 sites in the first two years of the initiative. This rapid expansion provided funds to some sites in which actors had little experience or familiarity with collaboration, leading to confusion in those sites. State officials, for their part, developed little in the way of a coherent, long-term vision of a new, state-local, interagency system of policy making and governance for human services -- despite, or perhaps because of, all of the organizational changes recently undertaken at the state level.

Because Minnesota Planning is a planning and development agency, rather than an administrative agency, it left the operational details of the initiative rather vague. When Minnesota Children assumed responsibility for the Family Service Collaboratives, therefore, staff had to develop an operational structure to manage the local Collaboratives. At the same time, however, they were in the midst of making the organizational transition from being in the Minnesota Department of Education to being part of the new Minnesota Children agency (formally, the Department of Children, Families, and Learning). Staff in the Department of Human Services, who were managing the Children's Mental Health Collaboratives, were embroiled in their own internal agency restructuring as well.

State officials were so preoccupied with these restructuring efforts that they neglected to provide adequate support and technical assistance to local collaborators around collaboration and systems change issues. The lack of capacity-building assistance from the state agencies exacerbated the lack of familiarity with the idea of collaboration that many of the less experienced sites encountered. Focused "system building" activity only occurred in some communities -- and not at all at the state level -- prompting some newly funded local collaborators to complain that the state was not providing a collaborative model for them, much less systemic coordination and assistance to facilitate their efforts. Without a clear model of collaboration at the state level, many would-be local collaborators lacked an understanding of the agency structures and leadership roles above them with which they needed to work in order to improve their own programs and systems.¹⁰⁶

Reinforcing my impression that proponents of reform did not adequately develop or convey the idea behind collaboration is the experience of some of the local sites. A number of them

¹⁰⁵ As one local collaborative director observed, "The state helped crystallize the issue when the time was ripe for reform, and set up a structure in which reform could be locally driven rather than dictated by the state." (Interview, 1998).

¹⁰⁶ Interviews with state officials (1996). One lamented, "I don't really know whether anyone will ever really collaborate anywhere, at the state or the local level." Another Minnesota Children official countered that her agency itself had been set up in large part to address concerns of Family Service Collaboratives and others that the state wasn't modeling collaboration itself, in the face of major policy changes such as federal block grants. (Interview, 1996.)

complained that one of the early barriers to collaboration they faced was “public mistrust or lack of knowledge and understanding of the initiative.” A number of sites identified other barriers that reflected a lack of consensus or willingness to collaborate on the part of would-be local collaborators, which might have been overcome had reform proponents explained better what it was they were trying to foster.¹⁰⁷

To try to overcome these difficulties, sites repeatedly sought help with marketing and public relations in their requests for technical assistance from the state. Sites also asked the state for a restatement and revisiting of the “vision” for the Family Service Collaboratives and the Children’s Initiative, a position paper on the role of collaboratives and their importance to the state, and “training on the issues and problems of collaboration.”¹⁰⁸ (Recall here that some of the other systemic reform efforts that I studied did exactly these things. Georgia and Missouri, for example, both published a series of “framework” or “blueprint” papers that outlined the state’s intended direction for change as well as participants’ roles and responsibilities in the new system they were trying to create.) Taken together, these requests suggest that the sites were struggling with how to present the initiative to local partners, media, and community members so as to encourage broader participation -- in large part because they themselves were unsure what the initiative was about and what its significance was to the state.¹⁰⁹

Once responsibility for the Family Service Collaboratives shifted from Minnesota Planning to Minnesota Children, and funding from the Pew Children’s Initiative failed to materialize, high-

¹⁰⁷ “Table 1: Local Barriers to Collaboration and Service Integration: July 1, 1995 - December 15, 1995,” in L. Bloomberg, J. Colby, D. Ingram, and P. Seppanen, *Minnesota’s Family Services Collaboratives: Barriers to Collaboration and Service Integration* (Minneapolis, MN: Center for Applied Research and Educational Improvement, University of Minnesota, July 1996). As one site lamented, “It is a barrier when we are not all working off the same page in terms of understanding of collaboration. This affects shared responsibility for the goals or shared risks and rewards among the partners. Lack of shared vision means there is lack of consensus on funding, services to be provided, why we were starting with ages 0-6, why were focusing on prenatal and newborn services.”

¹⁰⁸ Bloomberg, Ingram, and Seppanen, *Minnesota’s Family Services Collaboratives: A Summary of Outcome Evaluation Plans and Progress Reports* (January 1996), p. 30. Also see the sites’ comments on “local barriers to collaboration” reproduced in Bloomberg, Colby, Ingram, and Seppanen, *Barriers to Collaboration and Service Integration* (July 1996).

¹⁰⁹ Anecdotes from my telephone interviews confirm this impression. One county collaborative staff member, for example, expressed frustration with the lack of popular participation by citizens in local planning: “Instead, it’s turned into the same old bureaucrats propagating the same old service delivery ideas, like local branch offices.” He also said he was puzzled as to where the idea for collaboration had come from in the first place, asking me, “Did you guys in New York invent it or something?” (Interview, 1996.) A state official who helped develop the reform initiative acknowledged that the state’s instructions to the local sites were vague: “If we’d been clearer on the concept of collaboration up front, we could have made the need to do this [build a new system rather than just use Family Service Collaborative funds as money for new service projects] clearer to the communities, through dog and pony shows or a big state wide convention. We had trainings [for the local sites]...but we didn’t impart clearly the concept behind collaboration and what it means to pursue it in order to change systems.... The Action for Children report, Pew, and the popular literature all stressed collaboration, but we didn’t take the time to think through what it really meant and how to do it.” (Interview, 1996.) An evaluator of the Family Service Collaboratives agreed, saying, “The initial legislation included all the popular buzz phrases...but there was little strategic thinking and planning....” (Interview, 1997.) As a result, local sites found that, “The initiative is ... very conceptual in nature, and most people want to see concrete actions.... As more concrete actions occur, we will have stronger examples of what the collaborative is and how it works.” Bloomberg, Colby, Ingram, and Seppanen, *Barriers to Collaboration and Service Integration* (July 1996).

level political enthusiasm for the systemic reform agenda began to subside. State efforts turned from designing and developing new policy tools and a new system that could take advantage of them, to overseeing and providing technical assistance to the local Collaboratives. Guided by their experience administering existing categorical programs, Minnesota Children and DHS assumed an operational, rather than an entrepreneurial, approach to managing the local sites. Further development of additional policy tools of collaborative adjustment – such as state-local partnership agreements, which were not included in the initial legislation in 1993 – has continued only sporadically at best.¹¹⁰

The Governor and the Children's Cabinet do not seem to have thought strategically about how to take advantage of the new local Collaboratives once they created them (for example, by giving them authority over core funding for main stream human services, rather than their own modest funding allocations).¹¹¹ The state agency staff who work closely with the local sites, meanwhile, are so involved with the daily details of funding, administration, and management that they have little opportunity or occasion to think strategically or offer overarching policy recommendations to the Interagency Policy Group.¹¹²

5. Impact

a. Outcomes for Children and Families

The local collaboratives completed periodic progress and outcome self-reports, which were compiled by an evaluation team at the University of Minnesota.¹¹³ The evaluation team asked the sites to identify indicators of progress for which they would report biannual local data. The sites initially identified a variety of indicators, to measure organizational and systemic change (e.g., measures of improved program/service effectiveness, improved financial stability/coordination, improved staff capacity, improved school responsiveness to community needs), as well as outcomes for children and families (e.g., indicators of child and family health, family functioning, child development, school performance, etc.).

Most of the data contained in the sites' self-reports, however, pertain to organizational and systemic change, rather than to outcomes for children and families. The state evaluation team speculated that the lack of concrete outcomes in the sites' reports stemmed from two factors. First, the local collaboratives had been operating for only two to three years at the time of their reports -- a relatively brief period in which to systematize new measures and data gathering techniques. Second, in general it is more difficult to collect (outcome) data about people than (process) data about systems and services.¹¹⁴ Much of the data that sites reported about outcomes, moreover, were more intermediate measures of service delivery and customer

¹¹⁰ One piece in particular, Minnesota Milestones, which was intended as a means to track outcomes for children and families, has enjoyed support in the state agencies and the Governor's office, but only a mixed response from the legislature. With the Governor -- and possibly many state agency officials -- leaving office in 1999, ongoing state commitment to the Milestones remains in question.

¹¹¹ Interview with state agency official (1998).

¹¹² Interview with local collaborative director (1998).

¹¹³ See the citations of Seppanen, et al. in the footnotes above.

¹¹⁴ Ingram, Colby, and Seppanen, *A Summary of Two-Year Outcome Reports* (September 1997), p. 13.

satisfaction than they were actual indicators of the well-being of children and families. While some of the local sites recognized these shortcomings,¹¹⁵ the lack of outcomes in their self-reports leaves outside observers with little sense of -- much less systematic data with which to assess -- the direct impact of local collaborative efforts on the children and families they sought to help. As a consequence, I cannot offer concrete evidence of the success or failure of Minnesota's local Collaboratives in improving the lives of children and families. The sites' self-reports nevertheless offer a series of anecdotes about local innovations in service provision, collaborative governance, and relations with the state, which I have tried to capture in the preceding paragraphs and footnotes.

While some counties and a few state officials within Minnesota Children are now talking about developing a system to hold local Collaboratives accountable for outcomes, there is no core state wide set of results for local Collaboratives to commit to, as there is in Georgia or Missouri. The concept of accountability for results remains more conceptual than operational, and most local collaborators and state officials remain reluctant to declare joint responsibility for achieving particular outcomes. Reformers at the state and county levels alike nevertheless talk enthusiastically about the general idea of identifying outcomes to track local progress.¹¹⁶

b. Systemic Changes Achieved

Compared to many other states, Minnesota has a history of generous funding for social services in general, and for new programs for young children and families in particular. Public human services in Minnesota, moreover, are administered by county governments, not by the state (though the state provides substantial funding for a variety of services, in addition to passing through federal human services funds to the counties). The state and the counties do not have a consistent history of working together to solve policy problems, however. Many county officials do not trust the state to work with them in good faith, because of controversies surrounding the design of state block grants to counties over the last two decades.¹¹⁷ The possibility that community-based collaboratives working with officials in separate state agencies (Minnesota Children and DHS, respectively) could exert fundamental changes in state systems and policies is dubious under these conditions.

The state's policies promoting local collaboration have nevertheless succeeded in inducing some local changes in programs and services, by bringing county governments and other local actors together. Officials in some counties have begun to take advantage of the financial incentives that the Collaboratives bring with them (e.g., the opportunity to bill some services to Medicaid, and to request the pooling of state and federal funds) to engineer changes in their own systems. The local sites' outcome evaluation reports, moreover, identify numerous accomplishments in creating and implementing new service strategies (e.g., Family Centers, case management, and

¹¹⁵ See page 9 of "Stevens County Family Services Collaborative Two Year Outcome Report" in Ingram, Colby, and Seppanen (September 1997).

¹¹⁶ One local collaborative director observed, "Some of our outcome measures are perhaps less ambitious [than they might be], and more realistic about what we can actually do, but they don't capture or measure the dream of what we really want to do." (Interview, 1998.)

¹¹⁷ Interview with state official (1998).

other integrated service delivery approaches). Several of the more advanced sites have also succeeded in establishing and operationalizing collaborative neighborhood and county governance entities, which are beginning to make joint decisions about the use of special project resources (but not mainstream human services funding) to support service delivery. While these achievements by themselves do not constitute “changing the system” or “improving outcomes,” they nevertheless illustrate the kinds of changes that local sites can achieve on their own initiative, with modest funding and impetus from the state.

The collaborative local governance innovations that reform architects initially envisioned have proven more problematic than the local service delivery components, however. County and local service providing agencies were unaccustomed to the idea of sharing power and merging their authority to form joint powers agreements and other new structures.¹¹⁸ By the end of 1995, none of the sites were operating under a formal Human Services Board; half the sites were operating under formal interagency contracts defining administrative relationships and decision making processes among partner agencies, and the others were using flexible or temporary arrangements of one type or another.¹¹⁹

Informal efforts to lay the ground work for more formal governance changes have also enjoyed only mixed success. Some local sites had already been collaborating informally on their own for a number of years when the state introduced funding for local Collaboratives in 1993, and were able to take advantage of the new state funding in effective ways. Many others, however, were unfamiliar with the concept of collaboration, and had difficulty developing and carrying out joint projects.¹²⁰

While state policy created an environment that encouraged local collaboration, then, both the initial legislation and state officials’ implementation efforts might have done more to ensure that local collaboration and systemic changes actually occurred. Compared to Minnesota’s relatively generous spending on core human services programs, for example, state funding for the local Collaboratives’ service projects has been paltry, providing little inducement to local actors to work together. Despite bipartisan, high-level political support and some state funding for collaboration, the lack of an immediate crisis has meant that local service providers have had few material or direct moral incentives to collaborate.¹²¹ The state agency reorganizations, meanwhile, were designed prior, rather than in response, to the experiences of the local

¹¹⁸ This is Krauskopf’s general conclusion drawn from a range of states involved with the Pew Initiative, including Minnesota. See J. Krauskopf, “Overcoming Obstacles to Implementing Reform of Family and Children’s Services,” Paper presented at the Association for Public Policy Analysis and Management Research Conference, Chicago, October 1994.

¹¹⁹ Bloomberg, Ingram, and Seppanen, *Minnesota’s Family Services Collaboratives: A Summary of Outcome Evaluation Plans and Progress Reports* (January 1996), p. 23.

¹²⁰ Interview with state official (1998).

¹²¹ As one state official observed, “Voluntary collaboration is a very weak instrument of change, and it’s been attempted at a time when we’ve lacked a major crisis to inspire creativity, innovation, and change” (Interview, 1998). A local site report echoed this sentiment: “Without a compelling reason to change, some collaborative initiatives...may not be given as much serious and immediate consideration as they might if things weren’t already going so well.” See page 1 of “Stevens County Family Services Collaborative Two Year Outcome Report,” in Ingram, Colby, and Seppanen, *A Summary of Two-Year Outcome Reports* (September 1997).

collaboratives. State officials were so busy working out the new division of responsibilities among themselves that they failed to make clear the basic purpose of the new collaborative initiatives to the local sites, who were left largely to their own devices in collaborating.¹²² State agency staff -- as well as the collaborators in many local sites -- thus needed more time and opportunity to develop their own understandings of collaboration, to increase buy-in for the collaborative agenda, before beginning to manage a state wide reform initiative.¹²³

Instead of mapping local needs and priorities backward into changes in state policies and agency operations, Minnesota restructured its state agencies up front, according to priorities derived from the existing categorical human services system. State officials offered some technical assistance and support to the local Collaboratives, but with little intention of modifying the way the state agencies were operating in light of problems that the local sites' plans identified.¹²⁴ In contrast, some other states (e.g., Georgia, Ohio, Oregon) have established state "Barrier Buster" boards or other mechanisms with the authority to help address regulatory obstacles to local collaboration by changing state policies and administrative procedures. In Minnesota, ChITA and later the IPG have been responsible for these sorts of activities, but their roles in relation to the local sites and the state agencies remain vague.¹²⁵

The state, finally, has had limited success in introducing and elaborating new tools of collaborative adjustment gradually over time. As the history recounted in Chapter Four indicated, most of the policy intellectuals and field practitioners who have contributed to the development of the systemic reform movement have only been able to articulate what a "reformed" system of human services even looks like for a couple years now. As the case studies of Georgia, Iowa, and Missouri suggest, some states have taken advantage of these new developments in the specificity of the vision of systemic reform to introduce and elaborate further additional policy tools of collaborative adjustment. Minnesota, though, tried to create most of the new policy tools in vague form up front, and since then has simply taken steps to enhance or encourage their utilization by local Collaboratives, rather than developing them further conceptually. Few of the policy tools of collaborative adjustment that were left out of the

¹²² Interviews with state and local officials (1996).

¹²³ Interview with state official (1998).

¹²⁴ As one local collaborative's intermediate outcome report complained, "...[I]t is crucial that the State of Minnesota also embraces the concept of sharing a vision for families. ...[T]he efforts we are making at the local level...should have companion projects at the state level. As we find success in partnering with communities and families, so too would the state find success in partnering with collaboratives to define the processes by which collaboratives will be accountable." See page 7 of "Cass County/Leech Lake Reservation Children's Initiative Two-Year Outcome Report," in D. Ingram and P. Seppanen, *Minnesota's Family Services and Children's Mental Health Collaboratives: A Summary of Two-Year Outcome Reports and Outcome Evaluation Plans* (Minneapolis, MN: Center for Applied Research and Educational Improvement, University of Minnesota, December 1996). Another local collaborative complained, "Local issues have surfaced...that present new challenges for which state-level staff do not have the background to respond.... Original grant information stated that when rules interfere with services to families, the front-line staff could go to their directors who would have the authority to go to the state to receive waivers and variances; to date, this has not occurred." Page 7 of "Marshall Area Families Project Two-Year Outcome Report," in Ingram and Seppanen, *A Summary of Two-Year Outcome Reports and Outcome Evaluation Plans* (December 1996).

¹²⁵ Even the participants in these groups express confusion about their precise roles and responsibilities. (Interview with state official, 1998.)

initial legislation – such as state-local partnership agreements -- have emerged, even in leading counties' efforts to build relationships with local service delivery sites.

c. Prospects for Institutionalization

In a sense, the Family Services Collaboratives and Children's Mental Health Collaboratives are already institutionalized -- as programs, rather than elements of a systemic reform agenda. The legislature has funded them generously, albeit for a limited time period, and anecdotal reports from a number of local sites indicate that they can achieve at least some promising results.¹²⁶

The chances for institutionalizing larger systemic reforms on a state wide basis appear limited, however. Particular counties appear to be making headway in some areas around the particular service planning and delivery efforts of local Collaboratives, but no strong, state-wide, state-level movement exists to foster and pull together the disparate potential elements of a complete system of collaborative adjustment. The state officials I spoke with see the local Collaboratives as having a limited impact on systems and outcomes for children and families. Minnesota's systemic reform agenda appears -- for the moment anyway -- to lack active enthusiasm and momentum in both the executive and legislative branches at the state level.

As of 1998, the work of the local Collaboratives holds limited interest for top state administrators and elected officials. The Governor is leaving office within a year, and the Commissioners of the state agencies are not closely involved with, or committed to, the local Collaboratives. Legislators, for their part, tend to view the local Collaboratives either with ignorance or a lack of realism.¹²⁷ Communication and cooperation across the state agencies remains rare, aside from the problem-solving meetings held by the Interagency Policy Group, and agency staff remain committed to managing and preserving their own programs, rather than encouraging local efforts to bring services and programs together across agency lines. From the state's perspective, the Family Service and Children's Mental Health Collaboratives have, to an extent, become their own categorical programs -- albeit ones that offer integrated services and require the commitment of multiple local actors -- and state funding for the initial sites is now beginning to phase out.¹²⁸

One reason interagency systemic reforms lack momentum at the state level may stem from the professional culture of Minnesota state government, which privileges the administration of many discrete, categorical programs over general public administration skills. More so than in some other states, many of the staff of Minnesota's state agencies have narrow backgrounds in particular clinical disciplines, and often lack broader management experience that might

¹²⁶ One local collaborative director indicated, for example, that many families now feel less isolated in her community, and poor children are screened for health risks and developmental delays earlier in their lives. (Interview, 1998.)

¹²⁷ "Legislators...either view collaboration as a panacea, and are cynical because the counties haven't yet solved all the problems that children and families face, or don't know anything about the collaboratives at all." (Interview with former state legislator, 1998.)

¹²⁸ An evaluator of the local Collaboratives observed, "We're a rich state, and there's already lots of political turf as a result of all our other funding streams for services for children and families. The Family Service Collaboratives have given rise to their own small new cohort of quasi-bureaucratic managers, but they haven't managed to pull in the bureaucrats and managers of other programs for children and families." (Interview, 1998.)

encourage them to pursue systemic reform across program and agency lines.¹²⁹ Without a crisis to induce interagency collaboration, state officials have managed the local collaborative initiatives according to the professional precepts they know best: those of categorical program administration.

The state's initiative has nevertheless spawned some county-wide collaborative efforts to bridge systems, some of which show great promise where previous reforms have failed repeatedly (e.g., Hennepin County, which includes Minneapolis)¹³⁰. In a county-driven state such as Minnesota, county-level systemic reform initiatives may actually be the most appropriate locus to develop cross-system policies. (Many counties, for example, have established "Barrier Buster" boards to negotiate fiscal and regulatory flexibility for their neighborhood Collaboratives with the state agencies.) If and when another state wide systemic reform agenda develops, the leading sites from this round of reform will be positioned to take advantage of an opening for dialogue with the state about changes in policies and agency operations to facilitate and support local improvements in systems. If the state agencies begin to apply the principle of iterative learning, and devise more explicit ways to adapt their own operations and responsibilities to local Collaboratives' needs and requests, then further advancement toward a more complete system of collaborative adjustment may be possible.

D. Summary

The limited impact of Minnesota's reforms on state policies and operations suggests that a history of generous social spending and well-developed state administrative capacity may not be adequate to institutionalize a complex policy innovation such as collaborative adjustment for human services. Indeed, these very factors may have encouraged reform architects to adopt a programmatic approach to collaboration at the state-level, complicated the local prospects for interagency collaboration, and blinded reformers to the need to continue developing and modifying their ideas over time. With generous social spending already in place, state and local officials alike may not have perceived collaboration and systemic reform as essential to serving children and families better. In fact, serving clients more effectively may be a lower priority for them than simply administering and implementing the human services programs that the state already funds quite generously. In this context, state funding for collaborative service delivery may have prompted some local collaborators and state program managers to view the local Collaboratives as a new program offering additional – albeit integrated -- services to children and families. The proliferation of program categories with relatively generous funding in

¹²⁹ This speculation relies on a 1998 interview with a Minnesota state official with prior experience working in several nearby state governments, including those in Iowa, Illinois, and Ohio. The result in Minnesota seems to be an attitude that responds to a proposal for systemic reform by suggesting that the legislature fund a new program to achieve it.

¹³⁰ One local collaborative director noted, "These systems have been operating for decades without anything [collaborative] happening. Since the state initiative began, there's been much more of a push to involved parents and community members in decision making about services. A new activism has evolved; public agencies can't push their agendas down people's throats any more." (Interview, 1998.) Another observed, "The state's collaborative agenda helps keep us focused on cooperation – keeps us meeting together to look for different collaborative opportunities. Without the state we wouldn't be as far along, although we would still be working together." (Interview, 1998.)

Minnesota's human services system may have created a categorical mind set that state officials were unable to overcome without a crisis to prod them to collaborate.

While Iowa has funded some social programs (e.g., AFDC) at comparably generous levels, it has fewer categories of programs for children and families, and state officials may be less predisposed toward categorical administration than their counterparts in Minnesota. The current differences in the prospects of Minnesota's and Iowa's systemic reform initiatives thus appear to favor the hypothesis that generous social policy legacies lead to bureaucratic ossification instead of momentum for further innovation.

While mind sets and categorical institutions can be "sticky" and resistant to change, they are not the only factors that differentiate the systemic reform efforts in Iowa and Minnesota. Reformers in the two states also used different change strategies, and the contrast in the developmental trajectory of their systemic reforms is striking. Reforms in Iowa began with new forms of service delivery in two sites, an experimental attitude of trying something new to see if it would work, and a commitment to assessing the implications for larger systems and policies as the local projects developed. Additional policy tools of collaborative adjustment, such as state interagency collaboration and state-local partnership agreements, have been added over time, as state and local actors have become more familiar and comfortable with the new way of doing business. Reform architects in Minnesota, in contrast, complicated their prospects for success by simultaneously undertaking distracting, and perhaps even contradictory, state agency reorganizations. The spirit of collaborative adjustment requires state and local actors to attune themselves to one another's requests, and adapt their practices accordingly. The basic design of the new state Department of Children, Families, and Learning, however, had little to do with supporting the efforts of the Family Service Collaboratives. Instead, it focused on bringing early childhood programs (child care, Head Start, and other services for young children and families) into what had previously been the Department of Education. The state thus pursued its own systemic changes from the start, rather than waiting to see what kinds of new structures and systems might be necessary to support the changes in service delivery devised by the local Collaboratives.

Iowa's and Minnesota's systemic reform initiatives are similar in one way: both states passed legislation up front, rather than relying on informal coordinating discussions to evolve and take shape in the executive branch. Iowa nevertheless managed to retain a gradualist approach to implementation and design, starting with collaboration around a very specific target population in only two sites. Iowa went on to expand the initial Decat initiative across the entire state over the course of ten years, and recently passed additional legislation that encourages the development of new policy tools of collaborative adjustment and adds new policy areas to the reform initiative. The ideas behind Minnesota's systemic reforms, in contrast, emerged and were codified in legislation within two years, and implementation began in more than fifty sites a few years later. Few opportunities existed to identify lessons from the initial pilot sites and use them to guide the design of state policies or the implementation efforts of the state agencies or other local Collaboratives. Since then, the state has added financial incentives to encourage local collaboration and to foster county government involvement in changing the service system. It

has not, however, changed the basic policy roles of the Collaboratives, or the state's approach to managing and supporting them (separately, in two different agencies).

If Iowa's experience demonstrates the benefits of iterative learning for system design and political support for reform, Minnesota's illustrates the pitfalls of "premature planning."¹³¹ Multiple leverage points emerged in both states, in the form of a commitment to systemic reform by state and local actors. Reformers in Iowa took advantage of this political support to add new policy tools to the ones they started with. Reform architects in Minnesota, in contrast, failed to capitalize on the political support that the local Collaboratives enjoyed to create a better understanding of systemic reform and opportunities to implement additional policy tools of collaborative adjustment.

V. OREGON: Dueling Initiatives and the Importance of Multiple Leverage Points

A. Introduction to the Policy Environment

Oregon's levels of spending and innovation in the area of services for children and families resemble the policy traditions in Iowa and Minnesota in some ways. State spending on welfare benefits, child care and pre-kindergarten programs, and preventive services for young children and families is relatively generous.¹³² In recent years, Oregon has led many other states in social program innovations such as job preparation and training for parents leaving welfare and comprehensive family resource centers. Oregon has also pioneered the development of the Oregon Benchmarks, a comprehensive list of data that indicate the well-being of families, communities, and the state as a whole.

Co-existing with this tendency to innovate is a political tension that expresses differences between the rural, under-populated eastern part of the state, and the more liberal region surrounding the city of Portland and the state capital, Salem. While some Oregonians see government as the appropriate bearer of public responsibility for assisting children and families, others prefer locally driven solutions. This dual interest in policy innovation and local solutions would seem to lend itself readily to adoption and experimentation with various policy tools of collaborative adjustment for human services -- especially the idea of local governance. As this case study reveals, however, the broad appeal of systemic human services reform bridges a variety of diverse agendas, which can create political problems for the reform agenda if proponents do not proceed with utmost care.

¹³¹ I first heard this term used in a conversation with Madeline Landau and Martin Landau at the University of California at Berkeley, in 1997.

¹³² In January 1994, Oregon's maximum AFDC benefit level for a family of three was \$460; the corresponding benefit level in the median state was \$366. Committee on Ways and Means, U.S. House of Representatives, *Overview of Entitlement Programs: 1994 Green Book*, pp. 375-77. Oregon ranked seventeenth (out of 50) in the nation in terms of its commitment to child care and education, spending \$66.36 per child on such programs in 1994. See Adams and Poersch, *Who Cares: State Commitments to Early Care and Education*, p. 107. For information on Oregon's preventive programs for young children and families, see Knitzer and Page, *Map and Track*, 1998 Edition, p. 160.

Systemic human services reform has proceeded along two distinct but related tracks in Oregon -- partially reflecting the competing political pressures for centralized, state-driven social policy innovation on the one hand, and local solutions on the other. The fluctuating fortunes of the two tracks illustrate the value of multiple leverage points for reformers. Like the other cases, the story of Oregon's systemic reform initiatives suggests that strategic factors, and not simply policy legacies, such as a propensity for policy innovation or aggregate levels of social spending, have a crucial influence on the process and politics of systemic reform efforts.

In particular, Oregon's Commissions on Children and Families -- county-level boards comprised of both citizens and service providers -- have had difficulty sustaining support for their efforts within the state agencies (e.g., the Department of Human Resources and the Department of Education). In contrast, the other reform initiative, the Department of Human Resources' local service integration projects, have support within the state bureaucracy, but their local activities are linked to the other reform initiative -- the county Commissions on Children and Families -- in only a few sites. While the Governor and many other state policy makers profess a strong commitment to a community-driven approach to assisting children and families, then, the precise vehicle(s) for realizing this approach remains unspecified.

B. The Two Initiatives

The local services integration projects sponsored by the state Department of Human Resources (DHR) began as informal efforts to bring together and coordinate the delivery of different types of human services. Service providers and other community partners determine the specific focus of their own local projects. Examples include one-stop family resource centers, integrating services for the elderly, child health improvement initiatives, and other efforts. Over time a few of the local projects have teamed up with their county Commissions on Children and Families, and evolved into more ambitious efforts to change the local service system. A Community Partnership Team within the state DHR provides technical assistance to the local sites, and promotes appropriate changes in DHR policies, regulations, and operations. The Community Partnership Team has recently begun encouraging the local sites to design ways to assess their own achievements, using indicators of outcomes for children and families derived from the Oregon Benchmarks.

Oregon's Commissions on Children and Families, by contrast, started as an explicitly policy-conscious initiative to improve state and local systems that serve children and families by bringing outside expertise to bear on the planning and delivery of local services. The Commissions exist in all 36 counties, and members include citizens, business representatives, local elected officials, and service providers. At least half of the Commission members in each county must be lay citizens (i.e., not service providers). A state Commission oversees and provides technical assistance to the county Commissions, in addition to administering state funds for preventive services that the local Commissions allocate according to local needs and priorities.

The precise policy making responsibilities of the county Commissions and the state Commission have never been clarified and agreed upon in practice, however. Their authorizing legislation

and subsequent interpretations have stressed their role as community planning and coordination mechanisms, while also granting them authority to allocate certain funds for service delivery. As funders of direct services, however, the Commissions directly influence the activities of other funders and providers of direct services (e.g., state agencies, non-governmental service provider organizations), whose very activities the Commissions are also expected to coordinate. Confusion continues to plague the Commissions at the state level, but some of the county Commissions have initiated and moved forward with improvements in local programming and service delivery. A few of the county Commissions have recently begun working with the DHR Community Partnership Team to secure the changes in state agency operations necessary to support their efforts to redesign the local service system.

While the county Commissions are formal collaborative governance structures, DHR's services integration sites and the state Community Partnership Team pursue more organic, informal approaches to interagency collaboration. The County Commissions on Children and Families offer the prospect of a coordinated, community-based "macro vision" for all services and supports for children and families. The state agencies, if they choose, can alter their operations and reallocate their resources in response to this vision -- both state wide and community by community. The Commissions' plans do not have any formal impact on state policy or on the state agencies, however.¹³³ DHR's Community Partnership Team, in contrast, works at the margins to improve cooperation and collaboration among existing organizations, and tries to reform the policies, regulations, and internal operations of DHR gradually. The aim is to build working relationships and mutual expectations over time among a variety of state and local organizations whose work bears on specific problems of mutual interest. In some cases partners may eventually codify these relationships and expectations in Memoranda of Agreement with DHR, or constitute formal working groups or governing boards. In other cases, they may remain informal aspects of the daily work activities of the partners, and perhaps gradually reshape the way the various divisions and offices of DHR do business.

1. Architects: Legislators and Administrators Heed An Inspiring Governor

Oregon's current reform efforts to integrate services and develop preventive approaches to assisting children and families date back ten years and more, to the tenure of Democratic Governor Neil Goldschmidt (1986 - 1990). Governor Goldschmidt saw efforts to improve the lives of children and families as a critical way to strength the state's social and economic infrastructure.¹³⁴ In 1989, he developed and secured legislative passage of the Children's Agenda, which increased state spending for children's mental health, child welfare services, adult and family services, education, and corrections. The Children's Agenda also sought to improve coordination and communication between public agencies serving children, and led to the

¹³³ As one state Commission member observed, "When they [the Commissions] make recommendations to state agencies to change the way services are delivered...their decisions don't have binding force with the state agencies, and the agencies often resist their suggestions." The Commissions have since engaged the Governor and the state agencies in a dialogue about ways that the latter might accommodate suggestions from the Commissions. (Interview 1996.)

¹³⁴ S.L. Kagan, S. Goffin, S. Golub, and E. Pritchard, *Toward Systemic Reform: Service Integration for Young Children and Their Families* (Falls Church, VA: National Center for Service Integration, 1995), p. 226.

creation of the Oregon Children and Youth Services Commissions (the predecessors to today's Commissions on Children and Families). The Children and Youth Services Commissions were established to manage preventive services to supplement the core primary remedial and correctional services that the state Department of Human Resources offered.¹³⁵ Their program responsibilities encompassed juvenile services, dropout prevention efforts, and a new, \$5 million program called Great Start, which provided flexible state grants that counties can use to support local efforts "to help children 0-6 years of age get a great start on life."¹³⁶ Both these themes -- interagency coordination efforts and increased spending on early intervention services to decrease the need for future spending on remedial services or corrections -- run through Oregon's systemic reform efforts to the present day.

Another fundamental influence on human services reforms over the last ten years -- indeed, on most public programs and agencies in Oregon -- has been the Oregon Benchmarks. A task force appointed by Governor Goldschmidt in 1989 identified three broad goals for the state: a superior work force, an attractive quality of life, and an international frame of mind. The bipartisan Oregon Progress Board was created to identify Benchmarks (indicators) to measure the achievement of these goals, and to issue regular reports to the public tracking the state's progress. The Progress Board has developed and refined the Benchmarks since 1989, and promoted their use as a guide for reorganizing state and local government activities in ways specifically designed to achieve and measure specific goals. The legislature modified and then formally adopted the Benchmarks in 1991.¹³⁷

In the process of developing and refining the use of the Benchmarks, the state legislative session of 1991 produced a strong call for improving the coherence and connections among the various public programs for children, youth, and families who need multiple services. Republican Larry Campbell, the Speaker of the state House of Representatives at the time, had become very frustrated with the fragmentation of state services for children and families while seeking assistance for his son. Under Campbell's leadership, the legislature formed the Children's Care Team, a bipartisan, public-private committee charged with designing and implementing "an ACTION PLAN for a more integrated, accessible and PREVENTIVE state wide system of services for children and their families."¹³⁸

The legislature's concerns about the state's human services system prompted top DHR officials to begin scrutinizing their service delivery and administrative operations more closely.¹³⁹ In addition, staff in the Departments of Education and Human Resources participated in a Council of Governors' Policy Advisors Family Policy Academy, which lent impetus to the idea of

¹³⁵ Interview with former state Commission on Children and Families staff member (1996). The Children and Youth Services Commissions themselves evolved out of the Juvenile Services Boards, which were created in 1979 and functioned as advisory bodies on juvenile justice issues.

¹³⁶ N. Goldschmidt, "Building a Children's Agenda for Oregon: 1989 Legislative Accomplishments," *Issue Backgrounder*, July 1989.

¹³⁷ Kagan, et al., *Toward Systemic Reform*, p. 228.

¹³⁸ Children's Care Team, *A Positive Future for Oregon's Children and Families* (Salem, OR: Oregon Legislative Assembly, January 1993), p. 1 (emphasis in original).

¹³⁹ The paragraphs pertaining to DHR's service integration projects draw heavily on an interview with a DHR staff member (1996), to whom I am extremely grateful.

improving services for children and families through interagency collaboration. Then-DHR Commissioner Kevin Concannon and other top DHR officials traveled around Oregon asking DHR service recipients and other local residents what could be improved. They also sought feedback from front-line DHR staff, which confirmed what they heard from the consumers. The general reaction was the same as the conclusion of the legislative Children's Care Team: "Improve access to services by making the system less fragmented." DHR formed a services integration task force of deputy directors and other high-level staff, who analyzed a range of issues within DHR and between DHR and other public agencies (e.g., in the areas of law enforcement, education, public works).

2. Initial Aims: Separate Administrative and Legislative Initiatives

Based on the information generated by these processes, top DHR officials decided to restructure the Department's operations from the point of service delivery all the way up to the organization of the divisions and offices at the state level. Their proposal to reorganize state-level operations aroused suspicion that they were simply "reshuffling the boxes," however. In response, they chose to focus their initial efforts on local issues, by formally inviting elected County Boards of Commissioners to work with them to reinvent the human services system. Recent education legislation had also prompted local efforts to integrate social services linked to schools, so DHR opted to work with the Department of Education (DoE) to integrate services in communities.

After the 1991 surveys of clients and staff, DHR and DoE staff jointly selected pilot services integration sites in ten counties. They offered the sites no extra funding, but considerable encouragement and technical assistance around issues related to collaboration and services integration. Three aims guided the local projects and the state's efforts: keeping students in school and helping them succeed in their education, enhancing employment and increasing families' earning capacity, and helping individuals and families live successfully in their communities. Seventeen new sites were added the following year, and additional ones in subsequent years in communities where willing collaborators emerged at the local level, producing a total of 40 sites by 1996.

Each site established a local planning committee, including a range of partners who agreed to pull together various services to try to improve outcomes for particular populations of clients (such as mothers with substance abuse problems). Local project managers developed their own planning processes and work plans. DHR officials required them to involve service consumers in designing the plans, and to use the Oregon Benchmarks to focus and evaluate the impact of their efforts on outcomes for children and families. DHR also encouraged the local sites to talk with and learn from one another.

As DHR's local service integration projects were getting off the ground, the legislature's Children's Care Team issued their report. It proposed a new system of services for children and families that would offer a continuum of supports and services for children. Family resource centers would be created to serve as the "prevention arm" of the new service continuum, offering comprehensive, convenient services, and reaching out "to all parents to enable them to support their children's wellness." The proposed new system would "replace the existing system of

separate individual state-run services” with single points of entry to services for all families, comprehensive integrated assessments based on family strengths, care coordination, and multi-disciplinary teams. Most politically sensitive was a provision to decentralize most state services and funding for families to local Commissions on Children and Families. The aim was to place decisions about funding and services for children in the hands of the families and local communities who are affected most directly by them. State agencies were to retain responsibility for setting standards and building local capacity, and a Joint Legislative Committee on Children and Families was to provide a single forum for considering and coordinating state policies and budgeting. The only direct services that the state would continue to administer were child protection and other highly specialized services, with communities serving in an advisory capacity on those issues.¹⁴⁰

Legislation based on these recommendations passed with bipartisan support in 1993, as House Bill 2004. It created a new state Commission on Children and Families, as well as local Commissions on Children and Families, composed primarily of lay citizens appointed by elected Boards of County Commissioners. The county Commissions assumed the work of the old Children and Youth Services Commissions, as well as a larger role in designing new planning and service coordination techniques to promote children’s wellness in community. The legislation also gave them authority to distribute state and federal funds to purchase services for children and families, and permitted the legislature to transfer responsibility for distributing funds from state agencies to the county Commissions. It did not specify which services or funds would be transferred to the counties, but instead gave the state Commission responsibility for determining which services and funds could be transferred, “based on consultation with appropriate state agencies and each local commission during its planning process.”¹⁴¹

3. Implementation: Comprehensive Planning vs. Small Local Projects

Despite the uncertainty in the authorizing legislation regarding their fiscal responsibilities, the county Commissions began conducting community needs assessments and developing comprehensive local plans to support children and families. The Commissions focused their planning efforts on 11 Benchmarks indicating children’s well-being, plus any other indicators that each chose to pursue on its own.¹⁴² The first deadline for submitting their comprehensive plans barely provided time for the new entities to come together, understand their mandate, and designate their strategies for assisting children and families. In their haste to put together their plans, most of the county Commissions indicated that assuming responsibility for particular services and funds from the state DHR was at best a distant future possibility. They nevertheless continued to administer small amounts of funding for preventive services for children and families (e.g., for Great Start, Healthy Start, and other programs), which their predecessors, the Children and Youth Services Commissions, had administered.

¹⁴⁰ Children’s Care Team, *A Positive Future for Oregon’s Children and Families*.

¹⁴¹ C-Engrossed House Bill 2004, 67th Oregon Legislative Assembly -- 1993 Regular Session, p. 4.

¹⁴² B. Brown, G. Kirby, and C. Botsko, “Social Indicators of Child and Family Well-Being: A Profile of Six State Systems,” *Institute for Research on Poverty Special Report no. 72* (Madison, WI: University of Wisconsin-Madison, September 1997), p. 73.

The scope and aims of the local DHR projects varied, meanwhile, depending on the interests of local collaborators. Some convened around the design and implementation of individual programs (e.g., Healthy Start, a prenatal and maternal and infant health care, screening, and referral program), or the development of one-stop shopping for a variety of services in one or two sites (e.g., at individual schools, or in a particular school district). Others have undertaken more ambitious efforts, such as developing family resource centers that offer one-stop access to a variety of child welfare or welfare-to-work services. At least two of the projects are whole sale reform efforts to change service delivery and working relationships across a range of service providers and community-based organizations. These projects work on housing, transportation, education, corrections, social service, and other issues, in order to support implementation of the comprehensive plans of the local Commission on Children and Families.¹⁴³

In 1995, after the local projects had been operating for several years, DHR staff began to glean lessons from the local sites to inform the redesign of DHR policies, regulations, and structures to improve planning and operations across systems at the state level. Once 30 local service integration projects were in place, state DHR staff began to find it easier to adapt their operations in response to local requests than to resist local pressures for change.¹⁴⁴

4. Political Management: Frontal Assaults vs. Inside Maneuvers

While many of the local Commissions on Children and Families struggled to piece together their first comprehensive community plans, a few had already developed ambitions that went to the heart of the fiscal uncertainties in their authorizing legislation. The Commissions in Deschutes, Lake, Lane, Polk, and a few other counties included members who felt the state DHR was doing an especially poor job of serving local children who needed protective services. Their initial comprehensive plans went well beyond the minimum requirements set out in the legislation to include proposals for integrating services and transferring funding responsibility from the state DHR to the county Commissions.¹⁴⁵

Commission members from these counties joined forces with a group of state legislators who favored local control of public resources and the staff of the state Commission, and together they promoted a “strong” interpretation of H.B. 2004 (the legislation authorizing the Commissions). Other legislators, local Commission members, and state agency staff encouraged a “weak” interpretation.¹⁴⁶ The voting members of the state Commission, for their part, split over the

¹⁴³ These projects are in Marion and Deschutes Counties, respectively -- both of which, notably, have extremely activist Commissions on Children and Families that emphasize participation by lay citizens over service providers, as well as neighborhood-based needs assessments and service planning. (Interviews with state agency and county commission officials, 1996.)

¹⁴⁴ As one state staff member observed at the time, “We have enough projects in enough places so that it makes it in the DHR interest to make the system change.... We are not undergoing an upheaval for the sake of one place [which could be handled through making exceptions].... If you have enough exceptions out there, then [large-scale change] is worth the effort.” Quoted in E. Bardach, *Getting Agencies to Work Together* (Washington: Brookings Institution, 1998).

¹⁴⁵ Interview with former state Commission staff member (1996).

¹⁴⁶ State DHR staff probably promoted a “weak” interpretation in order to protect their own jobs, which depend on state control of funding and services for children and families, even as they expressed concerns about equity for

issue, as they were still trying to decide exactly what their new role would be (technical assistance provider and advocate for the county Commissions, or a state policy making body dealing with children's issues).¹⁴⁷

Without clear guidance from the state Commissioners, the staff Director of the state Commission determined in 1994 that the county Commissions were prepared to take responsibility for allocating federal Title XX funds, administered by the state Children's Services Division of DHR. She wrote a series of memos requesting DHR's cooperation in developing an interagency agreement to that effect, but did not work as closely as she might have with state agency staff at DHR and DoE.¹⁴⁸ In the end, DHR officials refused to distribute the Title XX funds according to the formal request by the state Commission on Children and Families, which had planned to use the funds to support the service strategies in the county Commissions' comprehensive plans. Political wrangling involving many interagency memoranda, a ruling by the state Attorney General, and an appeal to the Governor failed to resolve the impasse. DHR and the Children's Services Division ended up retaining control of the funds and spending them on existing state priorities.¹⁴⁹

After this administrative strategy failed, the coalition favoring county control of funding pursued a legislative strategy. In 1995, they drafted a new piece of legislation (House Bill 3180), which sought to distinguish more clearly the responsibilities and funding authority of the Commission on Children and Families, by explicitly transferring responsibility for child protective services functions from DHR's Children's Services Division to the County Commissions.¹⁵⁰ Other legislators and Commission members sided with top DHR managers and the state employees' union, however, and H.B. 3180 was defeated by one vote. In the wake of this sustained controversy, the Governor asked the Director of the state Commission, who was a core member of the coalition supporting county control of funding decisions, to resign. The state hired a new Director for the state Commission from outside the state, and several other leaders of the pro-Commission coalition moved on to new positions (some voluntarily, others under pressure).¹⁵¹

clients and uniform administration of state programs. Some of the local Commission members who sided with them offered viewpoints that were less self-interested, though. One argued, for example, that the Commissions should have no funds whatsoever to distribute directly. "Instead, they should have influence over other people's budgets, and do this by bringing all the players together and playing their role as conveners and planners. With program dollars of their own, they would be perceived as just another funding stream, and have less neutral clout over others' budgets, because community members would view them as yet another place where money is given out." (Interview with Linn County Commission member, 1997.)

¹⁴⁷ Interview with state Commission member (1996).

¹⁴⁸ Commission staff made no effort to coordinate their agenda with the work of the local services integration projects sponsored by DHR and DoE, for example. (Interview with state DoE official, 1996.)

¹⁴⁹ For a detailed case study, see L. Swanson Gribbskov, "Policy Implementation and Organizational Response: The Case of Title XX in Oregon -- Funding Programs for At Risk Youth and Families." Unpublished Ph.D. dissertation, Division of Special Education and Rehabilitation, University of Oregon, June 1995.

¹⁵⁰ One county Commission member noted that H.B. 3180 represented an explicit effort by a few legislators to attack the Children's Services Division (CSD). "The original legislation [H.B. 2004, which created the county Commissions] wasn't anti-CSD, because a broad coalition crafted it.... The real anti-CSD sentiments emerged with H.B. 3180." (Interview, 1997.)

¹⁵¹ Interviews with former state Commission on Children and Families staff member, and with a state Commission member (1996).

At DHR, meanwhile, the local service integration projects took on new salience after H.B. 3180 was defeated in the legislature. While DHR had won that particular battle, the state and national trend favoring community approaches to solving public problems was clear, and the Governor encouraged all the state agencies to begin working more closely with communities.

Most of Oregon's state programs for children and families are administered by DHR, however, which is as centralized and impenetrable as any bureaucracy in Oregon. Because DHR has authority over so much federal and state funding, it has been able to maintain its bureaucratic traditions regardless of local efforts to innovate in service design and delivery, such as the proposal to transfer children's services funds to the Commissions. The DHR's Director's Office is institutionally weak, moreover, and tends to have difficulty fostering changes across the board in the line divisions.¹⁵²

The new DHR director (Gary Weeks) and his deputies nevertheless recognized that DHR needed to work more closely and humanely with community groups and other organizations in designing and implementing services, rather than "running over their opponents" when conflicts arose. They established a new Community Partnership Team within DHR, which has essentially taken over the management of the local services integration projects. The Team is a centralized communications unit that cuts across DHR's line divisions and works closely with local collaborators to customize DHR's services and policies to local needs and priorities (as identified by county Commissions on Children and Families, citizens' groups, local planning boards, children's mental health councils, or other local groups).¹⁵³ It is exploring ways to streamline its budgeting and policy design processes, and developing data to track the performance of each of its line divisions in achieving particular Benchmarks.¹⁵⁴

In early 1996, the DHR Cabinet selected eight local services integration sites for the Community Partnership Team to work with intensively, in order to help them pursue more comprehensive, collaborative approaches to change state and local systems. Their strategies include blending funding streams, computer data, and staff positions and responsibilities, in order to create a seamless integrated service system for children and families. DHR staff encouraged each of the eight "Community Partnership sites" to designate a lead local governance entity. Some are using the county Commission on Children and Families; others are using the elected county Board of Commissioners.

¹⁵² Interview with state official (1996).

¹⁵³ Interview with state official (1996). A state Community Partnership Team staff member observed, "Many days I feel like my 'community partnership' role is more about reforming state government -- turning around the DHR battleship -- than about helping communities *per se*." (Interview, 1996.)

¹⁵⁴ Brown, Kirby, and Botsko, "Social Indicators of Child and Family Well-Being: A Profile of Six State Systems," p. 74.

5. Impact

a. Outcomes for Children and Families

As part of its work managing the Oregon Benchmarks, the Oregon Progress Board identified 20 key indicators of child and family well-being, specified goals related to those measures, and developed new sources of data to track progress toward those goals. Many state agencies and local organizations are now working to develop their own performance measures based on the Benchmarks. The state has trained community leaders and state agency staff to use social indicator data in service planning and community development. Since 1994, the Benchmarks have served as the basis for the Oregon Option, a formal agreement among the federal government and state and local governments in Oregon. This agreement commits the different levels of government as well as the various agencies at each level to establish intergovernmental working groups to cooperate in planning and administration in order to achieve measurable improvements in human outcomes in specific areas (or “clusters”): child health, the work force, family stability, juvenile justice, and natural resources.¹⁵⁵ Both the Commissions on Children and Families and DHR’s services integration projects use specific outcomes included in the Benchmarks to focus their efforts.

The state of Oregon is now trying to move from using the Benchmarks for monitoring and goal-setting to using them for accountability and evaluation.¹⁵⁶ While concrete results are not yet available, the evaluation plans of both the Commissions and the DHR services integration sites reflect this trend.

The state authorizes the county Commissions on Children and Families to work toward 11 Benchmarks that measure the well-being of children and families, to which the local Commissions can add their own priorities. Each local Commission works with the state Commission to identify “measurable interim outcomes,” which are intermediate measures that indicate likely changes in particular Benchmarks in the future. The Benchmarks are broad measures of well-being that are influenced by a variety of public and private programs, economic circumstances, and community conditions. The interim outcomes, in contrast, can be attributed to the successful implementation of specific services or community interventions by individual organizations.¹⁵⁷

The Commissions design their own strategies to try to achieve those interim outcomes, and issue requests for proposals to service providers (with funds they control directly), or work collaboratively with others (e.g., state agencies) to ensure implementation of those strategies.

¹⁵⁵ The child health cluster, for example, focuses on the broad goal of having all children in the state enter kindergarten ready to learn, as measured by nine benchmarks related to the health of young children. It has developed a data system to track trends in these benchmarks in every county, and works with local agencies and others to develop local data capacity further. Brown, Kirby, and Botsko, “Social Indicators of Child and Family Well-Being: A Profile of Six State Systems,” pp. 71-2, 74, 84.

¹⁵⁶ Brown, Kirby, and Botsko, “Social Indicators of Child and Family Well-Being: A Profile of Six State Systems,” p. 84.

¹⁵⁷ As one local Commission member put it, “If your program or organization achieves its interim indicators, you’ve contributed substantially toward achieving your assigned portion of the benchmarks.” (Interview, 1997.)

Each Commission is responsible for tracking its designated outcomes over time in its own data base. Local Commissions that fail to meet their designated Benchmarks may receive additional technical support from the state Commission. The state Commission staff is trying to develop the capacity to provide technical assistance -- in the form of systemic tools, such as monitoring, community mapping, best practice in service delivery, etc. -- so that all the county Commissions are able to achieve their Benchmarks.¹⁵⁸

DHR, for its part, has declared four goals for its overall operations -- people are: healthy, living as independently as possible, safe, and able to support themselves and their families. Each of these goals can be measured by the achievement of a series of outcomes.¹⁵⁹ The Community Partnership Team has developed a technical assistance package to help the local services integration projects convene partners, design a work plan, and assess the effectiveness of their joint efforts to achieve local improvements in outcomes.¹⁶⁰

DHR's Community Partnership Team has no funds to evaluate its local sites, however. Instead, they have developed a self-monitoring tool for the sites to use to pursue continuous improvement. Working with the local sites, they developed a process for the sites to use to collect data related to the Oregon Benchmarks, to see what kind of an impact their efforts are having on the well-being of children and families. The sites themselves select the particular DHR goals that their projects will try to achieve.¹⁶¹ This process closely resembles that used by the county Commissions to gather data on the measurable interim outcomes they have committed to achieve.

b. Systemic Changes Achieved

As DHR's Community Partnership Team has pursued its agenda, the state Commission on Children and Families has tried to formulate a clear policy making role for itself. In late 1995, after the defeat of the administrative and legislative attempts to transfer funds from the state Children's Services Division to the county Commissions, a planning committee was formed to develop a new strategic vision and work plan. Members included representatives from the state Commission, the Governor's Office, DHR, and the local Commissions. The plan they devised explicitly rejected much of the earlier emphasis on the Commissions' responsibility for funding and operating direct services. It proposed instead that the Commissions work as local agents of "systems change," by collaborating with state and community-based agencies to build a continuum of local services and supports to promote family "wellness" and to help all children

¹⁵⁸ Interview with state Commission staff member (1996).

¹⁵⁹ For example, "People are safe" can be measured by the outcomes: "Decrease the number of people who are abused. Increase the percentage of children who remain safe from re-abuse. Decrease the rate of preventable deaths due to suicide and injuries." Oregon Department of Human Resources, *Managing for Results* (Salem, OR: Author, revised 11/97).

¹⁶⁰ L. Bjornsen, *Managing to Results: Measuring Outcomes for Program Self-Evaluation* (Salem, OR: DHR CPT, January 1998 Edition).

¹⁶¹ In 1996, 17 local projects were working to ensure that people are healthy; 28 projects were working to ensure that people are able to support themselves and their families; eight were working to ensure that people are safe; and two were working to ensure that people are living as independently as possible. Community Partnership Team, *1996 Annual Report on Service Integration* (Salem, OR: Oregon Department of Human Resources), p. 1.

succeed.¹⁶² This emphasis on the Commissions working collaboratively with others signaled a step back from the original proposal to transfer responsibility for making decisions about services and funding allocations from the state DHR to the county Commissions.

Where the Commissions initially set out to “change the system” by transferring authority from the state agencies to the county level, DHR’s Community Partnership Team and local services integration projects have adopted a slower, more modest approach.¹⁶³ Despite the early antagonism between the State Commission and the state DHR, the Community Partnership Team now works closely with the local Commissions in counties where the local DHR services integration project has prioritized an issue that the County Commissions work on. By targeting specific projects at the local level, they are able to focus on solving problems for communities and families, rather than on political tensions (or “turf issues”) between the Commissions and DHR.¹⁶⁴

While it appears mild-mannered in comparison to the original aims of the more ambitious county Commissions, the DHR Community Partnership Team’s efforts to work with various state and local actors represents a dramatic change in the formerly insular perspective among many DHR staff.¹⁶⁵ Though it is too early to tell, this new attitude may yet yield some changes in the human services system at the state and local levels. The customized devolution of individual programs to particular county Commissions remains a possibility, for example, if DHR’s Community Partnership Team and the individual Commission on Children and Families can negotiate the specifics of such an arrangement.¹⁶⁶ On a state wide basis, nevertheless, the precise responsibilities of the Commissions remain unresolved.¹⁶⁷

¹⁶² “Weasku Committee Final Draft,” Oregon Commission on Children and Families, November 29, 1995.

¹⁶³ A former county Commission member who went to work for DHR’s Community Partnership Team explained his move by saying, “I had lots of local experience with the Commissions, and like their work a lot, but I also know that they don’t have as much leverage with the state bureaucracy as they might, and fighting a frontal, structural battle wasn’t going to get them very far in improving things.” Interviews with state DHR official (1996).

¹⁶⁴ Interview with DHR state official (1998).

¹⁶⁵ One observer speculates that this shift has been inspired largely by the Governor and his recent appointees. (Interview with state Commission member, 1996.)

¹⁶⁶ One DHR official with whom I spoke, for instance, indicated that he would seriously entertain a request from a county Commission to transfer responsibility and resources for a specific program from the state to the county. The Commission would have to justify its approach to addressing a particular local priority in a way that the state could not achieve by itself. At the same time, he argued that the Commissions’ work ought to address a wide range of issues affecting the “wellness” of children and families -- including but going beyond the services offered by DHR programs. As he put it, “Local planning is not just about making out a wish list of what functions you want to take over from the state. Instead, it’s about setting out a comprehensive vision for how you want to improve the lives of children and families, and then figuring out how to work with DHR and a range of other players to pursue strategies that can achieve that vision.” (Interview, 1996.)

¹⁶⁷ In 1997, for example, the Governor proposed that they restrict their focus to programs for children ages 11 to 18, which would make it very difficult for them to craft “wellness” strategies for children of all ages, in keeping with their original mission. (Changing their focus to children ages 11 to 18 also made little sense given their existing responsibilities for managing Great Start, the flexible grant program for young children ages birth to six.) The local Commissions responded by creating a Coalition of County Commissions to engage in state policy discussions, since neither the members nor the staff of the state Commission had reliably represented their interests at the state level in the past. The new Coalition met with the Governor to try once again to clarify the Commissions’ role as one of either funding specific preventive programs, or conducting overall planning to change systems and supports for children in their communities. (Interview with county Commission member, 1997.)

Regardless of how this confusion plays out, the state Commission on Children and Families has, in a way, become a county-administered state agency responsible for community-based, preventive services related to family “wellness” and support.¹⁶⁸ So instead of pursuing its initial “systems change” mission, by mapping the findings from county commissions’ activities and obstacles backward into state policies, regulations, and agency operations, the State Commission has carved out its own domain of funding streams and services for children and families. It also continues to provide technical assistance to the county Commissions’ planning and service delivery efforts.

The role of the County Commissions varies. Some are content to administer the funding streams for preventive services that the state Commission funds, and then assess local needs and develop comprehensive community plans on an annual basis, without proposing larger systemic reforms. Others carry out these basic functions as part of their ongoing efforts to pursue the original agenda of local systems change. Many county Commissions, for example, have developed strategies to integrate services for various client populations that go beyond merely administering funds for the preventive services that the state Commission offers (e.g., by establishing neighborhood family resource centers that bring together a range of child welfare or welfare-to-work services). A few of these Commissions -- primarily those strongly favoring the transfer of Title XX funds from the state DHR to the county Commissions -- have developed particularly sophisticated and far-reaching strategies for reforming and improving local service delivery. They are working closely with the DHR Community Partnership Team, their elected County Commissioners, neighborhood groups, schools, and others to change state and county policies to support their new strategies at the community level.¹⁶⁹ So while the Commissions as a state wide group may be losing sight of their mission of policy-conscious systems change, some of the County Commissions have not only retained it, but have combined it with innovations in local planning and service delivery for children and families.

The DHR Community Partnership Team faces a different challenge. Housed at the top levels of the state bureaucracy, but tightly linked with local services integration projects, it is well positioned to translate local concerns into changes in state policies, regulations, and agency operations.¹⁷⁰ It has managed to improve DHR’s relations with many of the county Commissions considerably since the controversy over transferring state funds and services to the counties erupted in 1994-95. It is currently trying to design contracts with the governance bodies in the leading local services integration sites, which would be negotiated, rather than competitive, and which would essentially purchase outcomes, rather than particular services. The local sites

¹⁶⁸ For example, programs administered through the State Commission include: Healthy Start, Great Start, Court-Appointed Special Advocates, Oregon Youth Conservation Corps, Family Resource Centers, Youth Investment, Juvenile Justice and Delinquency Prevention programs, Juvenile Services, Student Retention Initiative, Child Care and Development Block Grant, Family Support and Preservation, and Relief Nurseries (funded by Title XX federal funds in Lane and Multnomah Counties). Oregon Commission on Children and Families, “Grant Programs.” Mimeo, n.d.

¹⁶⁹ Interviews with Deschutes County Commission staff (1996), state Commission member (1996), and state DHR staff (1998).

¹⁷⁰ The Self-Sufficiency Coalition in Lane County, for example, recently asked the state agencies to reorganize their staff and to co-locate them in a family resource center. (Interview with state DHR staff member, 1998.)

would be free to designate and implement their own service strategies, as long as they achieved the outcomes in the contract.¹⁷¹

The limits of the Community Partnership Team as a reform thrust stem from the very sources of its strengths, however: Its vision for change may be limited to trying to improve existing government programs to achieve the state's goals, rather than devising new approaches to promoting the wellness of children in their communities, as the Commissions are supposed to.¹⁷²

c. Prospects for Institutionalization

The community-driven approach to assisting children and families is firmly established in Oregon. The planning and funding offered by the county Commissions on Children and Families, as well as the planning and service delivery efforts of DHR's local services integration projects, have created new vehicles for delivering more preventive services.

The ultimate purpose of these efforts remains unclear, however. Several of my informants, for example, distinguished between community "wellness" efforts -- to transform neighborhoods and encourage families to nurture and support their children so that they grow up healthy and educated -- and more prosaic efforts to reform the human services system, which simply seek to bring existing services together at the point of service delivery.¹⁷³ Some DHR staff clearly understand this distinction, and view the work of their Community Partnership Team and the "wellness" efforts of the county Commissions as complementary rather than competitive.¹⁷⁴ Complementarity between the two agendas may nevertheless lead simply to more community planning and implementation of the existing kinds of human services, rather than to a fundamental change in the way the state supports communities and communities support families. Many of the county Commissions on Children and Families have simply become planning and administrative bodies for preventive services, rather than active proponents of new relationships between community members and state government. DHR's agenda of "human services reform" is also much better connected to federal and state funding sources and to political power centers at the state level than the proponents of the "wellness" agenda are. If the county Commissions only have sufficient influence to shuffle local resources and administer the funding for preventive services that they receive from the state Commission, their efforts may never transform the core operations of the state agencies. Without additional impetus, however,

¹⁷¹ In the words of one Community Partnership Team staff member, "We're not shifting resources between the state and local level at this point; instead, we're working to improve relationships and understanding among people at different levels who are working to achieve similar goals." (Interview, 1998.)

¹⁷² As one member of the state Commission on Children and Families observed, "The state...needs to agree on why we are trying to streamline federal funds coming into Oregon [under the Oregon Option]: is it to help communities, or is it to make things easier in Salem?" (Interview, 1996.)

¹⁷³ As one former state Commission staff member argued, "The Oregon state government right now is working to get better at deploying community resources to meet the state's goals better (for example, reducing out-of-home placements). This isn't bad...but it is no replacement for using state resources to better address community goals.... Improving state government is...essential, but it's one small piece of what this whole agenda is about.... To me the state and local Commissions were never just about integrating services *per se*; the vision is more like what Governor Goldschmidt said about every child having someone who cares for him or her." (Interview, 1996.)

¹⁷⁴ Interviews (1996).

DHR's reforms may never extend to new strategies to promote children's wellness. The current challenge for Oregon's reform efforts is thus to bring these two agendas closer together, at both the state as well as the local level, in ways that influence and mutually reinforce -- rather than oppose or compete with -- one another.

C. Summary

At first glance, Oregon seems to have formally adopted many of the policy tools of collaborative adjustment. The county Commissions and DHR's local services integration projects are designing and delivering new, preventive service strategies. The state and county Commissions on Children and Families are broad-based, collaborative governance entities. The county Commissions' comprehensive plans offer a systematic portrait of the needs and resources for children and families that exist in communities across the state. The Benchmarks measure outcomes that both the state agencies and the collaborative governance bodies can use for accountability purposes. DHR's Community Partnership Team is working to negotiate contracts for the achievement of specific outcomes with some of the leading local services integration sites.

The counties in which the local services integration sites and the county Commissions are working closely together offer a precedent for uniting the two systemic reform initiatives. The state agencies also manifest some commitment to reorient their operations to respond to local conditions. To be sure, DHR's resistance to the proposed block grant of Title XX funds to the Commissions suggests some support for the bureaucratic ossification hypothesis in evidence in Minnesota. DHR's creation of the local services integration projects and the Community Partnership Team, however, suggests that political threats can in fact spur efforts at systemic change, even in seemingly monolithic state agencies. Whether the Community Partnership Team's efforts can gain momentum and adherents within the bureaucracy, and achieve real changes in service delivery and administrative operations that correspond to the aims of the local project sites and Commissions, remains to be seen.

Only a few of the new policy tools work in synergy with one another, however. The state agencies do not always participate enthusiastically in the work of the Commissions. The local services integration projects are closely linked to the county Commissions in only a few sites. Most of the funding that supports the preventive services and "wellness" efforts of the county Commissions is allocated in discrete categories for those purposes. There is no systematic, state wide approach to measure the Benchmarks that the county Commissions and local service integration sites achieve, and to compare their strategies and accomplishments in order to divine more effective approaches to assisting children and families. State-local partnership agreements that encompass a variety of programmatic disciplines and funding streams, and seek to achieve a broad range of outcomes for children and families, seem a distant prospect.

The uncertainty of the current scenario parallels the situation in the other states I studied, but Oregon suffers because it has two competing state-level reform agendas with a history of political tension between them. Regardless of how smoothly DHR's service integration sites and the county Commissions are working together in some communities, the role of the state

Commission is still vague, and DHR's willingness to recognize and accommodate it remains suspect. The advocates of the Commissions dealt the larger systemic reform agenda a considerable blow by neglecting to work more closely with DHR officials to secure multiple leverage points through which to promote their agenda.

If the movement toward systemic reform is to proceed further, state and local actors will have to work together across the divide between the Commissions and DHR. DHR's Community Partnership Team and local services integration projects currently have more political momentum than the state Commission, and have forged alliances with some county Commissions, but their efforts do not offer a coherent vision for a new human services system. While they are currently working to make DHR's operations more efficient and responsive to local concerns, the transformation of human services into a collaborative, community-driven system of collaborative adjustment is not (yet?) part of the agenda. Despite the achievements of many local Commissions, meanwhile, the state Commission has not established itself as an authoritative voice on state policies for children and families. Indeed, it appears to be moving more toward an administrative role in the area of preventive services and family "wellness" issues. As a result, Oregon's many fruitful innovations in local planning and service delivery for children and families lack a consistent champion and interagency coordinating entity at the state level.

VI. Findings and Conclusions

Regardless of the constraining and supportive influences that policy legacies and other historical and structural factors have exerted on the reform initiatives just described, the critical factors distinguishing the trajectory of the different cases of reform appear to be strategic. The achievements of reformers in the states that currently appear more likely to institutionalize the emerging system of collaborative adjustment -- Georgia, Iowa, and Missouri -- suggest that two change strategies can be especially helpful if used in combination.

The first is the creation of multiple leverage points, or the cultivation of allies committed to pursuing systemic reform through bootstrapping, at the state and the local level. Multiple leverage points are essential to systemic reform initiatives because the proposals for change that they entail ultimately threaten established working relationships and power bases in the existing system of human services. Having allies in different positions at the state and local levels gives proponents of reform a variety of channels through which to implement, revise, and reinforce their emerging ideas. Because reformers are unsure of their designs at first and must work them out through experimentation, they cannot possibly attract the support of a broad political coalition right away. They can, however, identify sympathetic allies in various state and local posts who share their aspirations, and engage them in a joint process of exploring and refining new policy ideas. Such multiple leverage points can then form the base of an incipient intergovernmental coalition supporting reform.

The second change strategy that emerges from the case studies is the creation of iterative learning opportunities, which enable reformers to draw conclusions from tentative experiments in the field and revise their policy designs and political strategies in light of practical experience.

Iterative learning is an essential feature of the process of bootstrapping reform, because proponents of change are unsure of the ultimate policy design they are pursuing, as well as the optimum route to get there.¹⁷⁵ If reformers can avoid setting initial systemic changes in place permanently, they may be able to retain the capacity to adapt their aims as well as their political strategies as they go, in response to practical experience.

The case studies illustrate how proponents of systemic reform can combine multiple leverage points and iterative learning in productive ways. Reformers in Georgia, Iowa, and Missouri, for example, cultivated allies at the state and local levels (multiple leverage points), and over time refined both the individual policy tools of collaborative adjustment and the way they interacted to begin to piece together the emerging system (iterative learning). They capitalized on the modular design of collaborative adjustment -- its use of a series of flexible policy tools -- to break their reform initiatives into process modules of different shapes and sizes. The reformers and their allies in various locations at the state and local levels could then experiment with the different policy tools in a piecemeal process. As a result, they were able to develop operational specifics for their general vision of a collaborative, community-driven human services system, and iteratively improve its design and build political support for it over time.

Reform proponents in Minnesota and Oregon, in contrast, sought to codify the design of the new system in legislation early on, without cultivating both state and local allies and improving their design and understanding of the new policy tools through experimentation in practice. Instead of breaking down their reform efforts into a series of process modules that various stake holders could help refine over time, these reformers opted for a "recipe" approach to designing the new system. Because the policy tools of collaborative adjustment are complex and novel, and threaten the authority and operating practices of stake holders in the existing system, reformers had difficulty generating political support and implementation capacity for their recipes.

Thus the case studies suggest that the reform initiatives in Minnesota and Oregon, like Tolstoy's unhappy families, are unhappy in different ways:

- The legislative and community-based proponents of Oregon's new local Commissions on Children and Families vilified and alienated state agency officials -- a failure of political outreach. After repeated attempts to devolve control over funding from the state Children's Services Division to the Commissions collapsed, reformers have been unable to develop a state wide role for the Commissions that would give them a systemic impact on state human services policies. While they have tried to devise a new state-level role in recent years, they have yet to find one that is both substantively efficacious and politically viable. In the meantime, the other systemic reform initiative -- local services integration projects sponsored by the state Department of Human Resources -- has generated changes in local service delivery practices that have begun to have modest effects on state agency operations. The two initiatives have combined in a few counties, but a state wide, interagency vision for reform remains vague and implicit, at best.

¹⁷⁵ See C. Sabel, "Bootstrapping Reform: Rebuilding Firms, the Welfare State, and Unions," *Politics and Society* 5(7), 1995. The cynical observation, "If you don't know where you're going, any road will take you there," thus might be amended with the suffix, "...as long as you take the opportunity to assess your progress toward your goal as it becomes increasingly clear, and revise your route accordingly as you go."

- Reform proponents in Minnesota have had more difficulty with the design the emerging system and with building local capacity than with politics. Political support for interagency collaboration was initially widespread in the legislature and the executive branch, but -- perhaps as a result -- reformers engaged in less strategic planning and communication than they might have. They failed to convey to inexperienced local sites what collaboration entailed, and did not give new sites sufficient time and leeway to develop their own capacity and understanding to collaborate. While a number of local sites have overcome their early difficulties, interest in systemic reform has declined among top state policy makers, and no consistent interagency vision for a reformed human services system exists at the state level today. Some state agency staff are working to add new policy tools to the new system, and are using local requests for assistance to make occasional changes in state policies and agency operations, but their efforts remain *ad hoc*.

Where proponents of systemic reforms in Minnesota and Oregon faltered, their counterparts in Georgia, Iowa, and Missouri have used a variety of iterative and inclusive strategies to build political support and capacity for their proposals. Like Tolstoy's happy families, then, the reform initiatives in these states are "happy" in the same way.

The more successful proponents of reform have devised ways to combine the process of developing their vision of the new system with the process of building the political support necessary to enact and implement that vision. Through pilot projects, reformers in or outside state government have built alliances with willing volunteers in a handful of local sites, and worked with them to experiment with various tools of disciplined collaboration. They have used outside evaluations or self-assessment techniques to uncover ways to formalize and expand the use of certain tools, and to revise others as they have extended implementation to additional sites around the state.

To build on a popular practitioner metaphor, the more successful reformers in the states I studied have been designing—not just building—the plane while flying it, as well as charting the destination and flight path in mid-air. Uncertainty is characteristic of all types of reform initiatives, and proponents of both the more and the less institutionalized reforms have had vague notions about the ultimate design of the new system. What differentiates the more institutionalized reforms from the less institutionalized ones is that proponents of former have generated and maintained broad-based, ongoing dialogues about what the design of the new system should look like. As they have flown along -- simultaneously constructing the plane, their course, and their destination through experimentation and dialogue -- the more successful reformers have gradually been able to see more and more distinct features of the speck or blob of the new system. Sometimes they have veered off course, and these features have become less distinct. Other times, they have hit unforeseen obstacles blocking their way toward what had looked like a very distinct image of their destination. In the course of encountering and addressing these various obstacles, they have gradually refined their image of the new human services system they are trying to establish.

As this metaphor suggests, the architects of the viable reforms have neither declared exactly what the new system should look like, nor retreated to fostering a series of small management changes

at the margins of the existing human services system. Instead, they have fostered a process of informal, multi-faceted deliberation about the design of the new system and the development and combination of its component parts. This process continues today, as the states with more institutionalized reforms seek to consolidate and institutionalize further the policy tools that comprise the emerging system of collaborative adjustment. Movement toward collaborative adjustment may yet resume in the states with less institutionalized reforms as well, if proponents can foster more of a continuous, broad-based dialogue about flexible ways for state and local actors to work together to assist children and families.

These findings suggest a hypothesis about the adoption of collaborative adjustment for human services -- and potentially other forms of democratic experimentalism that emerge through bootstrapping:

Collaborative adjustment policy is more likely to be adopted and institutionalized when multiple political leverage points and iterative learning about policy design intertwine and reinforce one another to produce increases in both policy effectiveness and political support.

This hypothesis predicts that states in which reformers adopt the two change strategies are more likely to adopt and institutionalize a system of collaborative adjustment for human services. States in which only one or neither change strategy occurs may see the beginnings of a new system emerge, but are less likely to institutionalize it. The use of both change strategies thus appears necessary, but may not be sufficient, for systemic reform to succeed.¹⁷⁶

¹⁷⁶ The case studies in this chapter present the data that generated this hypothesis, and suggest why I think it makes sense. They do not systematically test it, however, due to difficulties of sampling and data gathering entailed in conducting research on complex, uncertain, and ongoing policy innovations in multiple states.

Chapter 6:

The Two Change Strategies and the Developmental Process of Bootstrapping

The preceding chapter presented the research findings from each state separately, suggesting in the process the ways in which proponents of systemic human services reform have and have not used the change strategies of multiple leverage points and iterative learning to further their agenda. This chapter samples anecdotally but thematically from the cases, to explicate in more detail the ways in which these change strategies can contribute to the twin bootstrapping processes of system design and political management.

The arbitrary presentation of examples of the creation of multiple leverage points and the use of iterative learning is intentional here, because no one particular use of either change strategy is absolutely necessary to ensure the institutionalization of the new system. Since both strategies can contribute to both political management and to system design, some uses of one can compensate for failures in the use of the other.¹ The combined use of the two change strategies simply needs to reach a threshold level, but both are necessary to complement one another in the end.

In particular, the chapter demonstrates the synergistic effects created by the two change strategies. The aim is to specify ways in which situational and substantive learning interact when practitioners develop and adopt policies through self-reflective bootstrapping. By characterizing the change strategies in detail, the chapter seeks to clarify further the processes by which policies of democratic experimentalism, including collaborative adjustment for human services, are more likely to be adopted and institutionalized.

The first section explains the benefits of multiple leverage points in detail, and then uses anecdotes from the states to illustrate the ways in which the creation of multiple leverage points can contribute to political management and then to system design. The second section begins by clarifying the need for iterative learning and its essential role in the bootstrapping process of reform. It goes on to document the contributions that iterative learning can make to political management and then to system design, again drawing examples from the states. The chapter thus shows how reformers can use the change strategies to refine the design of the new system while simultaneously building support for it. The chapter concludes by outlining an ideal process of successful systemic human services reform. In that process, the policy tools of collaborative adjustment get introduced piecemeal and then refined through practice, demonstrate their increasing effectiveness and political appeal in the field, and eventually displace the tools of the existing system. By describing this process in detail, the conclusion makes clear the affinities between the bootstrapping process of systemic reform and the adaptable new system of collaborative adjustment that is emerging from it.

¹ Thanks to Gene Bardach for helping me recognize this point. For an explanation of the ways in which political and developmental factors interact in the construction of interagency collaborations, see his new book: E. Bardach, *Getting Agencies to Work Together: The Practice and Theory of Managerial Craftsmanship* (Washington: Brookings, 1998).

I. Multiple Leverage Points

Proponents of systemic human services reform face a fundamental political obstacle in that there is no natural constituency for collaborative initiatives that cut across program and agency lines.² The recipients and providers of human services, as well as their proxies in the political arena, tend to support the individual programs that benefit them most directly.³ While the general concept of improving the well-being of children and families receives considerable support in rhetoric, politicians as well as administrative constituencies usually operationalize this support by favoring particular interventions or services that they hope will solve problems single-handedly.⁴

Creating support is nevertheless essential because most systemic reform proposals begin with only a very narrow political base. Because they are obscure and complex, most systemic reform initiatives are initially developed and promulgated by small groups of creative thinkers -- administrators of state agencies (in the case of Georgia, Minnesota, and Missouri), or children's advocates and state legislators leaders (as in the cases of Decat in Iowa and Oregon's Commissions on Children and Families). Regardless of their positions, these initial architects of reform lack the leverage necessary to alter human services policy making, administration, and delivery throughout the entire state (even if somehow they knew in advance the changes they wanted to make).

Since initial proposals for systemic human services reform tend to consist of vague principles for improving obscure, specialized policies, they also lack the political appeal necessary to pull together a broad coalition of support for change. In this context, a change strategy of multiple leverage points serves to create and link together isolated pockets of support for reform. Such an approach is almost the only political strategy that reform proponents can pursue when they begin. In place of thick pillars of political support, the best they can strive for at first is a diffuse network of mutually reinforcing nodes of reform activity.

When the architects of systemic reform hold state-level positions, as they did in Georgia, Minnesota, and Missouri, the challenge of creating multiple leverage points takes the form of securing active cooperation from local actors. The decentralized design of collaborative adjustment makes the participation of committed local actors critical for the success of local planning and service delivery. The reform architects in the states sought to achieve this cooperation in different ways. Some have sought to encourage public agency line staff to "buy in" to new practices in service delivery and administration, after the difficulties of ensuring the

² For the general point that services integration lacks a natural administrative constituency, see L. Lynn, *The State and Human Services* (Cambridge, MA: MIT Press, 1980).

³ See, for example, F. Baumgartner and B. Jones, *Agendas and Instability in American Politics* (Chicago: University of Chicago Press, 1993), especially the chapter on urban policy. See more generally T. Lowi, *The End of Liberalism*, Second Edition (New York: Norton, 1979).

⁴ Hence some advocates for children and families, who favor more comprehensive policies, lament the "program mentality" of most policy makers in the U.S. See, for example, M. Blank and E. Hoffman, "Services Integration in the United States: An Emerging Agenda," mimeo prepared for U.S. Departments of Education and Health and Human Services (Washington: Institute for Educational Leadership, October 1994).

use of such practices through mandated rules and court orders have become clear.⁵ Others have bypassed or complemented the efforts of traditional service providers by hiring new staff or funding new community partners to deliver services, who have different attitudes toward service delivery practices and consumers than the line staff of existing public agencies.

When reform architects are located in the legislature and in local communities, in contrast, as they were in Iowa and Oregon, the challenge of creating multiple leverage points takes the form of winning support from state agency officials. Without the cooperation of -- or some other form of state leverage over -- those who have the power to redirect state agency resources, systemic reform efforts will have difficulty ensuring that staff and funding are used to implement local community plans. State agency staff who control existing resources are particularly well-positioned to block the daily operations of the new system, and their political representatives (e.g., unions, lobbyists) often exert tremendous influence in the legislature, as the successful opposition to Oregon's H.B. 3180 demonstrated. Even reform efforts that for a time are able to rely successfully on legislative redirection of funds and local activity, as Iowa's Decat Initiative was at first, are eventually likely to need the cooperation of *some* key policy makers in the executive branch of the state, to exercise the state's responsibilities within the state-local partnership agreements.

Some reform architects may have strong influence over the activities of their state agencies and service providers, so they may be able to use actors within the existing human services system to pursue reform. The more common scenario, however, is one in which line staff and providers are somewhat disinclined to cooperate with reformers' aims. Because the human services are traditionally under funded and overwhelmed, and their existing operations firmly entrenched, line staff and managers often view any proposed changes in their routines as unwelcome distractions from their daily "coping" strategies.⁶ As Georgia's Family Connection initiative illustrates, however, in these circumstances reform proponents can ally with sympathetic, non-traditional partners (e.g., service recipients, neighborhood organizations, citizens' groups, business representatives) to experiment with new policy tools. Competitive pressures and the power of example created by non-traditional partners participating in reform efforts may eventually encourage more traditional actors within the existing human services system (e.g., service providers, public agency line staff) to join in. If not, the reform architects and their non-traditional allies can try to achieve striking enough improvements that legislators become willing to allocate human services funds to them instead of to the traditional actors working within the existing system.

Regardless of whether their allies come from within or outside the existing system, reform architects need support and assistance at both the state and local levels. The multi-faceted nature of systemic reform requires that proponents receive some support from elected officials, public

⁵ These efforts are most prominent in the area of child protective services (CPS), within the child welfare system. Interview with Packard Foundation Program Officer. For a case study of systemic changes in front-line CPS practice and staff training in Alabama, see Bazelon Center for Mental Health Law, *Making Child Welfare Work: How the R.C. Law Suit Forged New Partnerships to Protect Children and Sustain Families* (Washington: Author, May 1998).

⁶ On coping strategies in the human services, see M. Lipsky, *Street-Level Bureaucracy* (New York: Russell Sage, 1980). On the tendency for human services agencies in general to become "coping agencies," see J.Q. Wilson, *Bureaucracy* (New York: Basic Books, 1989).

managers, program administrators, service providers, and community members. Without the clout exerted by at least a few top policy makers, reformers lack the ability to influence policy decisions at the state level that are critical to the enactment of authorizing legislation and the appropriation of annual operating budgets. Without the local cooperation of street-level bureaucrats or alternative community partners, the implementation of new policies is likely to encounter difficulties, as the principal-agent problem suggests.

Given that reform proposals are bound to be vague at first, potential allies are likely to be skeptical, and commit only half-heartedly to the undertaking. To compensate for the weakness of their support, reform proponents can try to include a broad array of potential allies in their experiments. In addition to encouraging widespread (if weak) political support for reform, broad outreach has the potential to improve decision making about service design and delivery, by increasing the amount of information, staff, ideas, and other resources available to inform decisions and deliver services.⁷ Excluding some actors from decision making and implementation, in contrast, may alienate them, which can create political opposition -- or at least reduce the resources available to reform proponents.

The drawbacks of broad political inclusion are equally obvious, however: the need to accommodate multiple interests when decisions are made, lengthy meetings with unwieldy numbers of participants, and other complications of group process. These drawbacks are especially problematic because most potential partners are skeptical of promises of human services reform. Repeated attempts over the last thirty years to alter the operations, reduce the funding, and reorient the goals of human services and anti-poverty agencies have created substantial cynicism about reform among many community members, line staff, managers, and administrators.⁸ Unfulfilled past promises and divisive competition for scarce funding have left many of the actors central to systemic reform with limited patience for the interorganizational niceties that make for successful collaboration and change.

Of course, conditions in individual states and communities may be more conducive to reform. Social capital at the local level can help human services programs operate smoothly, while simultaneously helping to sustain political support for the social spending on which they depend.⁹ Proponents of systemic reform cannot rely on social capital to ensure that their efforts succeed, however, because it is weakest in many poor neighborhoods -- the very communities in which human services performance most urgently needs to improve. Regardless of the success of reform efforts in other settings, those communities that lack social capital may remain stuck with the usual array of human services policy dilemmas. Providers and local elites may continue to dominate planning and service delivery, with the result that clients' needs remain unmet.

⁷ Interview with staff of the Program for Community Problem Solving, Washington, DC, June 1997. On the generic virtues of inclusive politics, see F. Peavey, *Heart Politics* (Philadelphia, PA: New Society Publishers, 1986). In essence, Peavey argues that identifying enemies in the process of political organizing limits the potential breadth of one's coalition as well as the goals of one's organizing efforts -- not to mention the strategies and tactics one might employ to achieve them. Thanks to Tom Sample for suggesting this point.

⁸ For a summary of some of these reform attempts, see Chapter Four above.

⁹ Social norms built up through a history of cooperation may predispose policy makers, implementers, and citizens to adopt new policies, and then work together to achieve their aims. On the salutary policy effects of social capital, see R. Putnam, *Making Democracy Work: Civic Traditions in Modern Italy* (Princeton, NJ: Princeton University Press, 1993).

The alliances that reformers create through broad state and local outreach may be able to overcome these challenges, however, if they create mutually reinforcing bases of support for reform, as well as a variety of channels for experimentation and implementation. States with at least one or two especially well-developed and articulate local collaboratives, such as Georgia's Savannah Youth Futures Authority or Missouri's Walbridge Caring Communities, appear to have particularly promising prospects for sustaining systemic reforms. These local collaboratives can model the new policy tools for their peers, and pressure state policy makers repeatedly to continue moving forward with additional reform components. Those state and local actors who are committed to systemic reform can validate and reinforce one another's actions and intentions.¹⁰ This mutual support can eventually lead other actors to see the new policy tools as part of the new operating environment, rather than as temporary anomalies that will fade away.

Multiple political leverage points can be especially useful in sustaining systemic reforms because they enable reformers to compensate for or counteract obstacles to innovation at one level of policy making by tapping energy and commitment at another. Mandates and capacity building assistance from the state, for example, can induce reluctant local actors to participate in the new system. If gubernatorial support wanes or state department heads turn over, or if electoral changes remove supporters of human services from the state legislature, community partners can testify loudly to their successors about the virtues of the new system. State and local proponents of systemic reform can support and reinforce one another's efforts to maintain support for emerging innovations. Collaborative adjustment is thus more likely to be institutionalized when reformers take concrete steps to foster and shore up bases of support at both levels.

A. Political Management of Systemic Reform Through Multiple Leverage Points

Systemic human services reform is likely to provoke passive resistance—and even explicit opposition—from those whose expertise and budgets are directly threatened by the new role of the community partnerships. State agency staff may oppose the transfer of state authority to new community-based institutions, as in the Oregon case study. While their opposition may appear to be a narrow-minded defense of “turf,” they may also have concerns about how equitably the new community partnerships’ service strategies will assist the families and children whom they have been serving.¹¹ In either case, they may not wish to give up control over the design and delivery of services for which they have been responsible.

Reformers in the states I studied have used several strategies to induce actors to participate in designing and implementing the new system. They have selected pilot sites for local

¹⁰ In Missouri, for example, the planning committee for the federal Family Preservation and Support Program “created a nucleus of people who would later be key players in the implementation.... These committee members -- from state government and communities -- became ‘unofficial ambassadors.’” P. Rozansky, *Missourians Working Together: A Progress Report* (St. Louis, MO: Family Investment Trust, 1997), p. 46.

¹¹ Such concerns played a significant role in the opposition of the staff of the Oregon state Children's Services Division to the proposed devolution of the Division's federal Title XX funding to the new county Commissions on Children and Families. See L. Swanson Gribbskov, “Policy Implementation and Organizational Response: The Case of Title XX in Oregon -- Funding Programs for At Risk Youth and Families.” Ph.D. Dissertation, Division of Special Education and Rehabilitation, University of Oregon, June 1995.

collaboratives based on the capacity and willingness of local actors to experiment with the policy tools of collaborative adjustment.¹²

While the complexity of the system of collaborative adjustment might suggest that maintaining support for it requires complex coordination efforts, instead the very operations of the system itself can help build and sustain political support for it among participating actors. Once actors engage in collaborative activities, the self-reinforcing processes of collaboration may help them become acclimated to working together, increasing their willingness to participate in the new system. Including potential resisters in collaborative decision making processes, for example, can help them develop a stake and a voice in the new system's arrangements. Experience working collaboratively to design and implement new service strategies can gradually improve service providers' comfort level and willingness to participate.¹³ Outside objectors can also be brought into collaborative decision making processes in ways that broaden support for the new system.¹⁴

Once collaborative activities are underway, finally, sound communication, relationships, and trust must be maintained. Formal structures, responsibilities, and accountability can guide actors' understandings and actions, but their motivation and comfort level in working together critically determine the effectiveness of their collaborative efforts.¹⁵ Efforts to create multiple

¹² Proponents of reform at the state level in Georgia and Missouri, for example, took pains to ensure that the initial sites they designated as formal Community Partnerships would be able to show concrete accomplishments quickly. (Interviews, 1996, 1998.)

¹³ Local Decat sites in Iowa offer telling examples. M. Kimmich, et al., *Iowa Decategorization and Statewide Child Welfare Reform: An Outcome Evaluation*, Prepared for the Division of Adult, Children, and Family Services, Iowa Department of Human Services (Salem, OR: Human Services Research Institute, August 1995), p.23. At the front line, in particular, collaboration in case planning "seems to be the key to greater ownership in systems reform by those most affected by service delivery processes: it makes families feel better served and workers [including Department of Human Services front-line staff] feel more invested in the services system." M. Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning: Lessons Learned in Implementation*, Prepared for the Division of Adult, Children and Family Services, Iowa Department of Human Services (Salem, OR: Human Services Research Institute, August 1995), p. 47.

¹⁴ Religious leaders in some communities in Georgia have raised concerns about particular aspects of some local collaboratives' comprehensive service plans -- most particularly, adolescent health clinics in schools. The leaders of most of these collaboratives have invited their would-be opponents to join the local discussion about families' needs and service strategies. While few of the communities have moved forward with their original controversial service strategies, such inclusive community planning made possible the identification of mutually acceptable alternatives. (Interviews with local collaborative staff, 1996.)

In Oregon, in contrast, the proponents of systemic human services reform sought to create popular support for their proposals by emphasizing the incompetence and self-importance of the staff of one of the state agencies they were targeting for reform. The state employees union and top agency officials reacted by working together to prevent implementation of parts of the initial legislation, and to defeat proposed follow-up legislation. Swanson-Gribskov, "Policy Implementation and Organizational Response."

¹⁵ As one local collaborative in Minnesota observed, "When relationships and trust break down, no amount of structure has been able to overcome the problems that result. When relationships are solid and trust is high, the initiative is more focused and plans and activities are successfully implemented, even if barriers are encountered." The site report goes on to note that, when effective, consistent communication is not sustained, "misunderstandings have...developed about the level of progress that is being made," resulting in a decrease in support for collaborative activities. Page 8 of "Hennepin County - The Redesign Two-Year Outcome Report," in D. Ingram and P. Seppanen, *Minnesota's Family Services and Children's Mental Health Collaboratives: A Summary of Two-Year Outcome Reports and Outcome Evaluation Plans* (Minneapolis, MN: Center for Applied Research and Educational Improvement, University of Minnesota, December 1996). Recent developments in political theory similarly stress

leverage points must therefore offer genuine opportunities for participation in collaborative decision making, rather than simply the appearance thereof. Even more important, they must focus collaborative activity on concrete projects of direct interest to the collaborators. A state mandate that local collaboratives achieve improved outcomes for children and families can give local collaborators a common cause to work toward, in addition to serving an accountability function.

Joint purpose, in turn, can help them build trust and working relationships with one another. Engaging in pragmatic, joint efforts to solve problems related to specific projects may lead actors to adjust their own interests and ambitions so that they come to support the aims of systemic reform even as they work together to define those aims. Rather than being governed or bound by abstract conceptions of actors' interests and ambitions, then, the politics and goals of systemic reform may be given specificity and meaning by the tasks at hand, becoming a politics of projects rather than a clash of fixed interests.¹⁶

One way reformers can engender the mutual adjustment of interests that can help sustain collaboration and build support for systemic reform is by focusing initial discussions among would-be collaborators on general parameters and common concerns. Reformers and other practitioners I interviewed suggested forming relatively informal state and local working groups at first. These groups can identify what kinds of outcomes participants hope to achieve for children and families, analyze jointly what data on those outcomes are available, and then discuss how well children and families are doing under existing arrangements. My informants stressed repeatedly that identifying outcomes for everyone to work toward is a good way to create common ground on which to build other collaborative efforts.¹⁷ Once partners are accustomed to working together to identify and analyze outcome measures, discussions can turn to issues that may be harder to resolve.

Despite this dynamic potential, support for systemic reform is still only "a mile wide and an inch deep" in most states,¹⁸ and reformers' political strategies to build support for their agenda remain critical. Reformers in most of the innovating states have expended their initial energy and political capital recruiting community representatives to the new community partnerships, and converting governors, private sector allies, state legislators, and other political elites to their

"the interaction of informal norms and formal political institutions" in sustaining "the politics of accommodation." B. Weingast, "The Political Foundations of Democracy and the Rule of Law," *American Political Science Review*, 91(2), June 1997, p. 257.

¹⁶ Thanks to Chuck Sabel for suggesting the phrase, "a politics of projects." Monthly joint problem-solving sessions among participants in Iowa's various Innovation Zones reflect this process nicely, according to one outside observer. Interview with consultant who documents states' human services reforms for the Annie E. Casey Foundation (1998). The theoretical idea that deliberative group processes may transform interests and, in turn, politics, derives from a number of sources. My most proximate influence here is C. Sabel, "Constitutional Ordering in Historical Perspective," in F. Scharpf (ed.), *Games in Hierarchies and Networks* (Boulder, CO: Westview Press, 1993).

¹⁷ As a Missouri state official put it: "Outcomes can help foster and sustain collaboration because they express what state government as a whole is trying to do. Community members and state legislators may like individual programs, but no program by itself will fix anything. There is no silver bullet. In this situation, outcomes offer a way to focus state agencies, community-based organizations, and others on pursuing what local communities want to achieve." (Interview, 1998.)

¹⁸ Interview with consultant who documents states' human services reforms for the Annie E. Casey Foundation (1997).

cause. So far they have spent considerably less time cultivating the support of middle managers in state agencies and other service provider organizations.¹⁹ These are the very actors, however, whose authority and job security are at the most risk in a more collaborative system.

An alternative to trying to win over line managers is to reach outside the existing human services system to new partners.²⁰ By including parents, lay citizens, community-based organizations, nonprofit service providers, and other “non-traditional partners” in local and state collaboratives, reformers may be able to build new coalitions that alter the standard dilemma of cooperation that bedevil bureaucratic reforms. As we have seen, state agency line staff may be reluctant to collaborate with others, and reform proponents at the tops of state agencies cannot force them to do so if they choose not to. The powers of example, persuasion, and competition from outside their ranks may nevertheless induce them to join those who have already started to adopt the new system’s tools. New partners from outside the state agencies may be more willing collaborators than state agency line staff themselves, since collaboration does not threaten the former with a loss of control over decision making.²¹ Business representatives, parents, and lay citizens can press more traditional partners to engage in collaboration, and create a sense of momentum and popular support for reforms.²² If state agency line staff cannot be induced to participate in the new system’s arrangements, reform proponents may be able to direct core human services funding to “non-traditional partners” who do. The new system can be implemented parallel to the existing system, and reformers can attempt to win converts or encourage attrition by state line staff.

The manner in which reformers pursue a parallel system strategy is critical, but exactly what manner is optimal depends on the situation. Without an immediate crisis or focusing event to justify extreme, sudden change, an inclusive and non-stigmatizing approach may work better than one that excludes and vilifies existing state agencies and service providers. As the case studies recounted, a direct frontal assault on the existing system by Oregon’s Commissions on Children and Families failed to wrest control over federal Title XX funds from the state Department of Human Resources. In Iowa, in contrast, the Decat project has gradually converted line staff in the Department of Human Services (DHS) to collaborate with others in allocating pooled funding at the county level, by offering financial incentives to participating counties and by expanding gradually to more and more sites across the state.²³ In some

¹⁹ Interviews with state officials in Georgia and Missouri (1996).

²⁰ As Mark Moore suggests, reform proponents can “deliberately disrupt the political coalitions supporting the old strategies of their organizations, and forge new political coalitions that demand from them an organization whose substantive purposes are more to their liking. Once [they are] armed with a powerful external constituency demanding the changes they want to make, the task of changing their organizations becomes much easier.” M. Moore, *Creating Public Value: Strategic Management in Government* (Cambridge, MA: Harvard University Press, 1995), pp. 274 -75.

²¹ In Iowa, for example, front line staff of the Department of Human Services were less supportive of the Decategorization Initiative at first than were the staff of nonprofit service provider organizations. M. Kimmich, et al., *Iowa Decategorization and Statewide Child Welfare Reform*, p.23.

²² Interviews with state and local officials in Georgia and Missouri (1996).

²³ Proponents of systemic reforms in Ohio also stress that existing state agencies and service providers are not the reason that the system needs to change; instead, they argue, human needs and public expectations of human services have changes, and the system needs to adapt to these new circumstances. See J. Hutchins, “State Governance Structures for Child and Family Policy Coordination: Sites for Planning Devolution?” Paper prepared for the

circumstances, however, confrontation may be the best way to mobilize public opinion in favor of drastic action.²⁴

Regardless of whether they attempt to convert or outflank practitioners in the existing system, the proponents of systemic human services reform need allies to advance and implement their agenda at both the state and local levels. To the extent that the work of local demonstration sites proves popular, expanding reforms state wide can create a local political constituency for them throughout the state. Local collaborators in many states have successfully translated their enthusiasm for their own work into support for the reform agenda on the part of their local state legislators. Anticipating this possibility, the state-level architects of Georgia's systemic reforms deliberately sought to build local bases of support for collaboration and change, in order to put pressure on state agency staff and legislators.²⁵

The broad base of actors that participates in local collaboratives can even give the reform agenda an administrative constituency that extends beyond the usual array of human services advocates and service providers. Recent legislative proposals surrounding child welfare in Iowa, for example, have generated strong reactions from a wide range of participants in local Decategorization collaboratives, many of whom previously paid little attention to child welfare issues. Even though Decategorization is a DHS initiative, a variety of actors (outside the usual DHS circles) participates in the local collaboratives and lobbies the legislature on their behalf.²⁶

Creating leverage for reform at both the state and the local level can also help sustain the momentum of the reform agenda when it encounters obstacles at one level or the other. Over the course of 1994 and 1995, for example, the original architects of Georgia's reforms lost their posts at the tops of key state agencies, the Pew Charitable Trusts withdrew a promise of substantial funding to support systemic reform, and the Governor's initial enthusiasm for reform waned. Despite these challenges, Georgia's reform efforts continued at the state and local levels, and have recently begun to flower anew. While the savvy of those reformers who remained at the state level helped considerably, the local Family Connection sites played a critical role by providing model examples of the possibilities of the reform agenda, while simultaneously advocating for its continuation and deepening.²⁷ Local interest in systemic reform in Georgia eventually spread to key legislators, and the Governor recently renewed his interest by declaring that any county in the state could form a Family Connection service delivery collaborative.²⁸

Annual Conference of the Association for Public Policy Analysis and Management, Pittsburgh, PA, November 1996.

²⁴ A past example of a successful confrontational approach to reform is Jerome Miller's efforts as the Massachusetts Commissioner of Youth Services (DYS) to change the DHS system to serve troubled youths in community-based settings rather than in institutions. He created a regional administrative network responsible for placing youths in alternative settings, which stood alongside -- and eventually replaced -- the state's existing system of institutions for delinquent youths. See the description in Moore, *Creating Public Value*, pp. 84-89.

²⁵ Interview with state and local participants in Georgia's Family Connection initiative (March 1996).

²⁶ Interview with local Decategorization coordinator in Iowa (1998).

²⁷ For a similar account of systemic reform that temporarily lost momentum at the state level (during the transition to a new governor's administration in Maryland), but eventually regained it based on the strength of local collaboratives, see J. Waldfogel, "The New Wave of Service Integration," *Social Service Review*, September 1997, p. 478.

²⁸ Interview with local collaborative director (1998).

B. Improving System Design and Capacity Through Multiple Leverage Points

Creating multiple leverage points can enhance the design and capacity of an emerging system of collaborative adjustment, simply by increasing the array of resources available during implementation. Including a variety of actors in implementing the policy tools of the new system can improve implementation capacity directly, by bringing new resources and ideas to collaborative efforts. Broad inclusion can also enhance implementation of systemic reforms indirectly, by increasing political support for collaboration, which can then improve actors' willingness to implement the tools of the emerging system.

Initial attempts to include new partners in collaborative activities can build local capacity for more ambitious joint projects in the future.²⁹ The popularity of collaborative efforts generated by the inclusion of an array of community partners may eventually generate new contributions that enhance the effectiveness of collaborative efforts.³⁰ In short, the broader the base of participation a local collaborative has, the more resources it has to draw on and the more effective its services can be.³¹

Inclusive collaboration may foster peer learning among local participants, improving their effectiveness as service providers.³² Over time, local collaborators can learn "to stand in for one another, to switch roles when that makes sense, and to work with families together."³³ In

²⁹ Iowa's Decat Initiative, for example, has brought new partners together to use pooled funding flexibly to serve a particular type of family -- those at-risk of losing a child to out-of-home-placement -- in new ways. In many counties, the resulting process of planning and making service delivery decisions together has built a foundation within the broader human services community for addressing other kinds of family needs collaboratively. See Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning*, p. 30. The state has recognized this new capacity by encouraging counties to establish "Innovation Zones" -- broader interagency collaborations that may request pooled state funds and waivers of state regulations to help them address a wide range of local family and community priorities. Gene Bardach calls this process of collaborative developmental "platforming." See Bardach, *Getting Agencies to Work Together*.

³⁰ In Iowa, for example, local agencies (such as schools) that were not included in the formal Decategorization collaboratives have voluntarily contributed to county decategorization funding pools, and begun to play an active role in county Decat planning decisions. Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning*, p. 36. The new Innovation Zones in Iowa have enabled local sites to capitalize further on the resources and contributions of community partners not included in the original county Decat Boards. Interview with county Decat coordinator (1998).

³¹ In Iowa, again, "A site's ability to tap existing resources comes directly from its collaborative foundation: the broader the ownership in the vision of integrated services, the more likely it is that individual agencies' programs can be brought into the decategorization arena." Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning*, p. 48.

³² In Iowa, staff from different agencies that work on committees and joint service delivery projects together learn "more about services in the community and more about each other." They also tend to increase the extent to which they share information across agencies. "This learning appears to occur formally and informally, through the consideration of specific agency initiatives and networking which appears to be a natural outcome once groups of agencies are brought together in one place." Kimmich, et al., *Iowa Decategorization and Statewide Child Welfare Reform*, p. 24.

³³ Cedar Rapids, Iowa, offers child protection and other comprehensive, customized services to families through a neighborhood center staffed by an interdisciplinary team of specialists from various public agencies. The team members come from agencies such as child protective services, other social service providers, housing inspection, and community police. Frank Farrow with the Executive Session on Child Protection, *Child Protection: Building Community Partnerships -- Getting from Here to There* (Cambridge, MA: Kennedy School of Government, Harvard University, 1997), p. 33.

addition, local collaboratives can press state-level reformers to make improvements in the design and scope of the emerging reforms.³⁴

Reform proponents can build collaborative capacity directly by taking jobs in key local collaboratives or state agencies that have yet to engage the tools of the new system fully.³⁵ In a few states, some proponents of reform have found themselves working hard within local collaboratives, but have been unable to exert much influence at the state level. They have responded by building state wide networks of local departments or collaboratives to create a louder voice at the state level to air their local concerns.³⁶ Finally, state-level proponents of reform can harness the pressure of empowered local collaboratives to encourage state agencies to move toward more pro-active, responsive approaches to assisting the locals.³⁷

In addition to improvements deriving from outreach to “the usual suspects” (existing state agencies and providers of state-funded human services), local collaboratives can also increase their capacity to assist families and children by reaching out to “non-traditional partners.” Several leading local Child Protective Services departments in communities around the country, for example, have built strong relationships with basic resources in the community, such as local recreation departments, community health nurses, neighbors and family members, churches, school staff, and libraries.³⁸ Improved connections among basic community resources offer to enhance the benefits provided by more specialized, problem-oriented human services.³⁹ By

³⁴ In Missouri, for example, the Department of Economic Development recently joined the interagency collaboration initiative, after local collaborative sites pressed the state for better access to staff with expertise in finding and creating jobs for community residents. (Interview with state official, 1998.)

³⁵ For example, the coordinators of local Family Service Collaboratives in Minnesota include a former state legislator who helped pass the authorizing legislation, as well as the former state project manager for the Collaboratives.

³⁶ When budget cuts and management restructuring reduced the capacity of the Georgia Department of Mental Health to develop policies and advocate for budget items, the directors of the county mental health offices reacted by forming their own state wide membership group to perform these roles. Interview with county officials in DeKalb County, Georgia, April 1996. A similar episode transpired in Oregon, when the County Commissions on Children and Families bypassed the state Commission on Children and Families to form their own state network to negotiate directly with the Governor and his administration on some issues. Interview with County Commission Member, January 1997.

³⁷ The state manager of the Oregon Department of Human Resources’ services integration projects encouraged the local sites to seek technical assistance from other state officials. After thirty local projects began demanding help, state officials began to look for more systematic ways to support them, rather than objecting that they were unable to respond to local requests. Bardach, *Getting Agencies to Work Together*. State reform architects in Georgia consciously pursued a similar strategy to foster changes in state agency operations (Interviews, 1996).

³⁸ Case workers in several Iowa Decat sites refer families to these kinds of services and activities under certain circumstances. Kimmich, et al., *Iowa Decategorization and Statewide Child Welfare Reform*, pp. 18, 33. A striking example comes from Jacksonville, Florida, where Child Protective Services workers now establish a “Community Support Agreement” with a family member, friend, or neighbor of a parent reported for abusing or neglecting his or her children. The other individual agrees to take consistent measures to help the parent avoid isolation or extreme stress, such as stopping by the house three times a week. “[W]orkers in Jacksonville find that they extend their resources to help families immensely, but with no new cost.” Frank Farrow with the Executive Session, *Child Protection: Building Community Partnerships*, p. 36.

³⁹ Particularly valuable are primary services, such as “toddler play groups and day care programs; sports teams; art, music, and after school programs; youth volunteer opportunities; telephone warm lines and mentoring programs; drop-in and support programs for parents; as well as the resources of museums, parks, libraries, community centers, and settlement houses.” J. Wynn, J. Costello, R. Halpern, H. Richman, *Children, Families, and Communities: A New Approach to Social Services* (Chicago: Chapin Hall Center for Children, University of Chicago, 1994), p. 5..

expanding the availability of, and linkages to, primary services and supports to assist families, reformers seek to reduce the need for expenditures on specialized services, freeing up resources to serve additional families.

Including parents (or service consumers more generally) in collaborative service activities can also improve the impact on the well-being of children and families. The new service strategies of collaborative adjustment are premised on the benefits of working more closely with families as partners in designing and delivering services. Workers spend time building relationships with families, working with them in planning their own service delivery processes. As a result, families may feel more comfortable with, and respond better to, service interventions. Including families in the case facilitation process can also unearth new practical ideas and identify potential problems that front-line staff would not discover without their assistance. Finally, parents can learn about other “services and supports in the larger community, while directly reducing their isolation through regular contact” with other service recipients.⁴⁰ In a few states and communities, parents are beginning to participate in higher-level planning and policy discussions.⁴¹

Along with parents, lay citizens and members of the business community can contribute new ideas to discussions about policy directions, community planning, and service design and delivery.⁴² Their involvement may also inhibit self-dealing or petty disputes over resource allocation among service providers, thereby helping to focus collaborative discussions on the pursuit of more strategic solutions to core problems.⁴³

II. Iterative Learning

The second change strategy that proponents of systemic human services reform have used is iterative learning about the design of the new system as it is developed, refined, and implemented. Iterative learning is an essential part of the bootstrapping process because, by the

⁴⁰ In Iowa, “Families now feel less threatened and more in control, because they are part of the decisions-making process during their case planning. This creates trust, allowing providers to communicate with families more fully.” Families’ sense of connection developed in four ways: having information about community supports and resources helped families feel more comfortable with their environments; sharing family issues with other parents built personal networks of friendships, which in turn provided informal support to those involved; the power of their friends’ examples encouraged parents to see greater opportunities for participating in the community as friends, volunteers, or advisors to the Decat initiative and other programs; these new roles and activities in turn increased families’ sense of safety and support, and decreased their fear of those in the community. Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning*, p. 40, 43, 44.

⁴¹ The Clinton/Jackson County Decat site in Iowa, for example, recruited family members to participate in community wide decat planning. Kimmich, et al., *Iowa Decategorization and Statewide Child Welfare Reform*, p.18. Parents also participate in Caring Communities site councils in Missouri, and in Family Connection service planning efforts in Georgia. Interviews with local collaborative staff (1996).

⁴² For example, Missouri added goals related to employment to its mandate to local collaboratives in response to suggestions from the business community that the Caring Communities sites were too focused on delivering social services rather than helping families become self-sufficient. Interviews with state officials (1996).

⁴³ As one Georgia state official assigned to provide technical assistance to local collaboratives observed, “Putting parents and business representatives in the room with service providers can stop this agency foolishness” of fighting over resources, and help everyone focus instead on collaborative aims and strategies. Interview (1996).

very nature of bootstrapping, participants do not know the exact design of the new policies they seek to create.

Learning is particularly important in the process of systemic human services reform because the design and operations of the emerging system of collaborative adjustment are complex and new - not at all obvious to those who have worked in or observed the existing system for years and years. Under such conditions, even if reform architects were capable of designing the tools of collaborative adjustment and mandating others to adopt them, the others would likely have difficulty understanding and implementing them.⁴⁴ All of the actors involved in the operations of the new system -- including service recipients and lay participants -- thus can benefit from learning about design and operations issues as the system takes shape.

When bootstrappers begin their work, they confront a situation in which the old system no longer works as effectively as they want it to, but the direction for reform is only vaguely apparent -- to say nothing of the specifics involved.⁴⁵ A clear sense of uncertainty, bordering on a perception of crisis, is thus necessary for reformers to undertake bootstrapping in the first place.⁴⁶ Once this sense of uncertainty arises, the first step in the process of iterative learning occurs when the reformers recognize that neither they, nor their potential allies and advisors, know exactly what to do.⁴⁷ A corollary recognition is that reformers, and those they need to win over to their cause, can learn more from experiments in the field than from studies done by outside experts.

Beyond recognizing that the way forward is unclear to everyone, and that practical experiments are likely to be the best source of information, no particular entry point or sequence of steps is necessarily better than any other.⁴⁸ Bootstrapping can proceed in any order, working from a variety of starting points. Some general guidelines nevertheless emerge from the case studies in the previous chapter.

The more successful cases of human services reform, for example, suggest that reform architects do well to identify a particular entry point at the beginning.⁴⁹ They can then concentrate resources and authorize open-ended experiments in one or two promising, but challenging, pilot

⁴⁴ For example, on the difficulties of translating new human services policy mandates into effective front-line practice, see M.K. Meyers, K. MacDonald, and B. Glaser, "On the Front Lines of Welfare Delivery: Are Workers Implementing Policy Reforms?" *Journal of Policy Analysis and Management* 17(1), Winter 1998, pp. 1-22.

⁴⁵ I.e., bootstrapping tends to emerge "when the risk of staying put are clearly greater than the risks of taking a wrong path." C. Sabel, "Bootstrapping Reform: Rebuilding Firms, the Welfare State, and Unions," *Politics and Society* 5(7), 1995, p. 7.

⁴⁶ The lack of a sense of crisis seems to have been particularly telling in Minnesota, as the foregoing case study suggests. As a result, state policy makers opted for a recipe approach to designing their reforms (as reflected in the legislation that created the Family Services Collaboratives), and many local sites had difficulty generating participation and new activities in the collaborative bodies that the legislation created.

⁴⁷ While this step seems obvious, it is actually quite counterintuitive for many advocates of change, since the observation that "The old system's broken" tends to engender the immediate retort, "You got a better idea?" Hence the search for concrete alternatives has a tendency to begin immediately, before anyone recognizes that the specifics are completely unknown, and can only be discovered through experimentation in the field.

⁴⁸ For similar arguments about interagency collaboration and other complex reforms, see Bardach, *Getting Agencies to Work Together*; Sabel, "Bootstrapping Reform."

⁴⁹ The familiar examples from Iowa and Missouri are, respectively, decategorizing funds to serve children at risk of out-of-home placement, and delivering school-linked services. Georgia's entry point was more open-ended: modest funding for local sites to hire staff and identify local service delivery priorities.

sites -- such as Savannah, Georgia, Walbridge Caring Communities in St. Louis, or Scott and Polk Counties in Iowa.⁵⁰ Beginning with more than one or two sites risks diluting resources and expertise that reformers may not want to commit to an uncertain enterprise, and raises the profile of what is inherently a risky undertaking.⁵¹

The complexity and novelty of the bootstrapping process can confound even the most strategic architects of reform and pace setters in the pilot sites, however: Reformers themselves are, in their own words, “building the plane while flying it.” A crucial benefit that iterative learning offers in this situation is flexibility. It enables them to revise the design and operations of the new system over time in light of practical experience, rather than forcing them to design the new system in the abstract and set its tools in stone up front.

To give themselves flexibility, proponents of systemic reform can only articulate a vision, in the form of broad principles to guide the pilot site(s) efforts to address the entry point they select.⁵² The work of the pilot sites and any other innovations they provoke can then constitute a series of informal experiments to guide reformers as they operationalize those principles, and gradually shape and revise their ideas about policy design in response to what they encounter as they go.⁵³ Starting with general principles thus offers room for growth in the design of the system over time, and a grand, open-ended vision can have broad political appeal as well.

Once they articulate a general vision, reformers must be able to learn from their experiences and make adjustments in policy design and political strategy accordingly. Iterative learning is thus a useful strategy for proponents of systemic human services reform for the same reasons that multiple leverage points are: they can use it to build political support for their reform agenda, and to refine the design and build the implementation capacity of the new system. Opportunities for adjustment, for example, provide occasions to resolve conflicts about the design and the goals of the new system, making it easier to recruit and retain multiple allies and sustain the intergovernmental coalition necessary to enact and implement reforms. No matter how carefully systemic reformers cultivate political support at the state and local levels, tensions may arise among the actors participating in the new system. Differences may emerge over general policy directions, for example, or over the priority given to different service strategies to achieve an agreed-upon policy direction. In particular, state legislatures and agencies may seek to conserve public resources, by asking community partners to place welfare recipients in jobs, or to reduce out-of-home placements of children in troubled families. Community partners may be more interested in developing an array of family-centered services and supports that may cost more (at

⁵⁰ While the pilot sites in Iowa and Missouri were selected and supported by the state, Savannah’s initiative developed independently of the state, with outside funding from the Annie E. Casey Foundation. Savannah’s experiences nevertheless have heavily informed the state’s approach to supporting its efforts and to nurturing other local sites, so in this respect it has played a similar role to the state-supported pilot sites in the other states.

⁵¹ Recall here the “low-key naiveté” of reform architects in Iowa.

⁵² For example, the idea that services should be comprehensive, child-centered, family-focused, culturally respectful, neighborhood-based, and community-driven.

⁵³ As one funder of state human services reforms observes, “The best original plans from states or local communities for complex, multi-year change will require repair, revision, reassessment and recommitment.” Annie E. Casey Foundation, *The Path of Most Resistance: Reflections on Lessons Learned from New Futures* (Baltimore: Author, 1995), p. 19. Another observer notes similarly that “developing these systems is an iterative process which involves experimentation and continuous reassessment and revision.” H. Weiss, “From the Director’s Desk,” *The Evaluation Exchange*, IV(1), 1998, Harvard Family Research Project.

least in the short run) than the services that some families already receive from the existing system. To bring together and reconcile diverse agendas such as these, reformers must revisit decisions and rethink strategies and tactics repeatedly over time -- activities that constitute the essence of iterative learning.

At the same time, however, the vagueness and blind alleys inherent in principle-based, trial-and-error methods can leave would-be participants in reform confused about how to proceed and about who is responsible for what. Such confusion can hinder implementation activities as well as efforts to build trust and working relationships.⁵⁴ The piecemeal quality of iteration also presents disadvantages for reformers who are in a hurry to show progress and to demonstrate the public value and staying power of their proposals. The short time horizon of public officials facing re-election, the limited attention span of the public for policies that target families facing difficulties, and impatience with “business as usual” create strong pressures to implement systemic reforms state wide as quickly as possible.

Proceeding slowly in order to specify new designs and strategies in the process is one way to resolve the tension between the benefits and drawbacks that stem from having to begin systemic reform initiatives with general principles rather than detailed specifics. Reformers who attempt to go to scale quickly, such as those in Minnesota and Oregon, may suffer if they lacked strong buy-in for their proposals, and because neither they nor their potential state and local allies clearly understand the design and operations of the emerging system. In Georgia, Iowa, and Missouri, in contrast, where systemic reforms have become more institutionalized, their proponents used pilot projects in one or two sites to introduce and refine the tools of collaborative adjustment. Local communities participating in the pilot projects formed a political constituency as well as a laboratory for the new system. Lessons about success in the pilot site(s) then inspired and informed efforts to establish new sites around the state. Reformers added other policy tools (e.g., accountability for outcomes) to their initial entry points. They recruited new agencies to join the reform initiative at the state and local levels, and gave the local sites responsibility for additional policy areas.

Despite the steps toward systemic reform accomplished thus far, the gradual pace of change that iterative learning tends to produce creates a difficult end game for reformers. The formidable challenge that remains is to aggregate the disparate accomplishments achieved to-date into a fully functional new human services system that is capable of winning the confidence of policy makers and the bulk of public human services funding that still remains in the old system. Given that systemic reforms continue to push human services policy making and administration into uncharted waters, only ongoing learning through reflection and assessment -- and eventually by measurement of results achieved -- can show the way.

⁵⁴ As one architect of Missouri’s systemic reform initiative notes, “[T]here were benefits to the ‘build-the-plane-as-you-fly-it’ approach; however, there were disadvantages. Confusion led to misconceptions about expectations of who was to do what and when they were supposed to do it. In turn, this led to a circular pattern of false starts followed by course corrections. Frustration reached more than tolerable levels at times, which slowed the building of trust across all stakeholders.” Rozansky, *Missourians Working Together*, p. 48.

A. Political Management of Reform Through Iterative Learning

Unable to specify the design of collaborative adjustment in detail when they began their efforts, proponents of systemic reform initially had little more to offer than their general vision for reform, along with a commitment to learn as they went along. The prospect of improving outcomes for children gave their efforts long-term promise, but was inadequate to keep partners coming back to the collaborative table repeatedly in the short run. The basic principles of the new service strategies, combined with the appeal of collaboration and flexibility, nevertheless proved sufficient to sustain local participation in many communities. The philosophies of partnering with parents, including diverse stake holders, respecting one another, and committing to learning and adaptation sharply distinguished the operations of the emerging new system of human services from those of conventional public bureaucracies. As a result, the daily activities of collaboration became self-reinforcing in many places.⁵⁵

Once collaborative activities are underway, reform proponents can use the flexibility provided by iterative learning to their political advantage because they can adjust the tools of the new system to give a range of actors a stake in it.⁵⁶ Flexibility may consist simply of a willingness to work with a broader base of new collaborators to revisit past decisions.⁵⁷ Revisiting decisions through different processes can help bring new partners into the collaborative process, as well as shore up support for collaborative decisions among those stake holders already participating.⁵⁸ For these

⁵⁵ This paragraph draws heavily on an interview with staff of the Center for the Study of Social Policy (1998).

⁵⁶ As one local collaborative in Minnesota observed in a site report, "The foundation for success lies with keeping organized and flexible, not an easy mix at times. As the [collaborative] groups were making the transition between planning and implementation, there were changes in the group structure. Keeping consistent people at the table is an ongoing challenge.... The balance between too little structure and too much formality is a delicate balance to maintain." Page 7 of "Northwest Hennepin Family Services Collaborative Two Year Outcome Report," in D. Ingram, J. Colby, and P. Seppanen, *Minnesota's Family Services and Children's Mental Health Collaboratives: A Summary of Two-Year Outcome Reports* (Minneapolis, MN: Center for Applied Research and Educational Improvement, University of Minnesota, September 1997).

⁵⁷ When reform architects in Missouri were developing the idea of Community Partnerships, for example, "Seemingly simple questions, such as 'What constitutes a community?' were debated over and over again." Missouri eventually ended up with a very open-ended, non-prescriptive definition of their Community Partnerships. Rozansky, *Missourians Working Together*, p. 18. The development of collaborative capacity in individual communities also confirms the value of revisiting issues over time. The Family Service Collaborative in Winona County, Minnesota, reported that, "As we have worked together over the past three years, we have definitely learned that progress is not always linear. Perhaps an upward spiral is a better model; we certainly have had the experience more than once of saying, 'Didn't we already do this/discuss this/decide on this?' Yet for the most part, revisiting an issue or a situation has led to increased understanding and a more productive resolution." Page 6 of "Winona County Community Connections Project Two Year Outcome Report," in Ingram, Colby, and Seppanen, *A Summary of Two-Year Outcome Reports* (September 1997).

⁵⁸ One local collaborative in Minnesota discovered that "[C]ommittee work is not necessarily (nor usually) recognized by ... a wide group. The Children's Initiative Board represents all the stakeholders, but the Board setting does not allow for the time and attention needed for final drafting and 'buy-in.' After a Board retreat failed to bring consensus on the evaluation plan, we took the suggestions from that retreat and revised the evaluation plan. When that was brought back to the Board, systems representatives applauded it, but Family Center reps still felt the need to take it back to their communities. After allowing time for those conversations to occur, we held a 'stakeholders' forum. ... At the forum, the researchers, parents, staff and some systems reps were able to refine the language and found consensus quite easy. The Board then approved the plan with little further discussion. We subsequently used the same process for guidelines for child care and transportation." Page 9 of "St. Paul/Ramsey County Children's Initiative Two-Year Outcome Report," in Ingram and Seppanen, *A Summary of Two-Year Outcome Reports and Outcome Evaluation Plans* (December 1996). Another example comes from Polk County, Iowa, where initial

reasons, the collaborative growth process is sometimes portrayed as a “spiral of change,” in which collaborators repeat key developmental processes to cement their relationships with one another and bring new partners on board.⁵⁹

The political benefits of piecemeal adoption and adaptation of policy tools and partners begin to accrue to reformers once the accomplishments of the initial pilot sites begin to impress additional communities, state legislators, and other policy makers. Sometimes the evidence of local success is systematic and empirical, in the form of improved outcomes for children and families -- or at least political, in the form of an increase in state resources for the local collaboratives.⁶⁰ More often, however, it is anecdotal, and appears in the enthusiasm with which local collaborators discuss their efforts and successes in working with families and neighborhood residents.⁶¹ Reform proponents can use such proof to press for an expansion of tools, sites, or partners in the state and local collaboratives. Such expansion in turn can serve as additional proof of the staying power of the new system, encouraging new state and local actors to become involved in its operations.⁶²

These examples suggest that a key advantage of iterative learning as a change strategy is that it helps resolve the chicken-egg dilemma of whether to start reform by building political support or by pursuing formal structural changes in administrative systems and organizations. In effect, iterative learning permits both to occur simultaneously.

collaborative efforts under the state's Decat Initiative did not include all of the key players needed for comprehensive service delivery. Local leaders eventually convened the initial collaborators along with those who had joined later, to “reconceptualize the vision of systems reform for the county and to re-establish the ground rules for making policy changes and...for deciding how to allocate decategorization resources.” By reviewing the decisions that had already been made, participants decided for themselves that the initiative was in fact participatory and open-ended, rather than strictly controlled by the members of the local Decat Boards, who represented only the Department of Human Services, the Juvenile Court, and the County Board of Supervisors. This process increased the initiative's support in the community. Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning*, p. 26.

⁵⁹ Where developmental trajectories characterized by “straight lines can stop dead when they run into roadblocks, or ricochet off obstacles in unintended directions,” a spiral “loops back on itself to gain strength.” When they “loop back,” collaborators reflect on and celebrate their achievements in building a new system. A. Melaville and M. Blank, *Together We Can: A Guide for Crafting a Profamily System of Education and Human Services* (Washington: U.S. Department of Education and U.S. Department of Health and Human Services, 1993), p. 19.

⁶⁰ For example, many counties expressed interest in participating in Iowa's Decategorization Initiative once some of the initial counties began to realize savings by preventing out-of-home placements of children, which the Initiative permitted them to spend on other kinds of services for children and families. (Interview with state official, 1998.) More recently, Georgia Governor Zell Miller announced his intention to extend the Family Connection collaboration project to all counties in the state interested in participating. He made the announcement shortly after the release of preliminary evaluation findings from the leading Community Partnership in the state (in Savannah), which demonstrated positive results for children and families. (Interview with staff of Savannah collaborative, 1998.) The timing of the announcement may or may not be directly connected to the release of the findings, but surely the evaluation results could not have discouraged the announcement.

⁶¹ State legislators in Georgia and Missouri supported the Family Connection and Caring Communities, respectively, well before any evaluation results were available, mainly because of the success stories they heard from their constituents who were participating in local collaboratives. (Interviews with officials in both states, 1996, 1998.) Schools throughout St. Louis expressed interest in replicating the Caring Communities initiative pioneered at Walbridge Elementary School, based primarily on their impressions about its impact and the charismatic example set by its director, Khatib Waheed. (Interviews with Missouri state officials, 1998.)

⁶² Gene Bardach's analysis of the development of interagency collaborative capacity refers to this process as one of “bandwagoning.” See Bardach, *Getting Agencies to Work Together*.

Returning to the experiences of the more and the less institutionalized state reforms presented in the case studies helps illustrate the political benefits of iterative learning, and the drawbacks of beginning with formal systemic changes on a large scale. As the case studies discussed, proponents of Oregon's Commissions on Children and Families sought to transfer authority for allocating federal Title XX funds from the state Children's Services Division to the county Commissions within a year of their creation. They encountered severe resistance from state agency staff, who eventually enlisted the Governor, public employees' unions, and others to block enactment of the Commissions' proposal.⁶³ The Decat Initiative in Iowa also originated in the legislature, and -- like Oregon's Commissions -- lacked strong executive branch support at first. Rather than propose an outright transfer of authority from the state to the Decat counties, however, reformers in Iowa opted to increase county discretion over service strategies, and permit them to retain any savings they achieved. State agency staff remained skeptical of Decat for the first five years or so. Eventually enough counties began participating in responsible, helpful ways, without eroding state authority or making too many radical spending decisions, that state officials came to support the reforms. Proponents then expanded Decat to the entire state, and added new tools to the reform agenda in the form of the Innovation Zones, which encourage local collaboration and state interagency collaboration across a wider array of services for children and families than entailed under Decat.

Iowa's reform agenda continues to grow, with new legislation that block grants (or "decats," as the term goes) \$8 million in new state and federal funding for early childhood services to county Community Empowerment Boards, which build on the existing Decat and Innovation Zone Boards. Oregon's Commissions on Children and Families also continue their comprehensive community planning efforts, which have grown quite ambitious and influential in some counties -- but through incremental, piecemeal strategies. Formal systems changes, if they are to materialize in Oregon, appear more likely to come about through a scaling up of flexible, piecemeal approaches than through a wholesale attempt to transfer authority from the state to the county Commissions.

B. Improving System Design and Capacity Through Iterative Learning

1. Designing an Unfamiliar New System

Iterative learning can enable reformers and their state and local allies to grope along toward the design of a new system of policy making whose specific details they have not yet fully envisioned. While proponents of systemic reform may begin with a clear vision of the principles undergirding a reformed human services system (e.g., they want it to be community-driven, responsive to families' multiple needs, accountable for results, etc.), they rarely know how to operationalize these characteristics until they begin experimenting on the ground. In this context, iterative learning has helped compensate for the fact that they are unsure what service strategies, accountability mechanisms, or division of responsibilities will work best in the new

⁶³ Swanson Gribskov, "Policy Implementation and Organizational Response."

system. A change strategy of iterative learning can enable them to adopt provisional approaches that appear promising, and revise them over time in light of experience.⁶⁴

Iterative revision of the design of the new system can benefit from the development of a new, virtual, interagency organization and staff, to maximize the information available to collaborative principals who have the authority to make binding decisions. Effective use of staff, committees, and outside consultants may help collaborators counteract the problems of long meetings and thorny management dilemmas that collaboration can engender.⁶⁵

Creating joint opportunities for iterative learning among collaborators at both the state and local levels is particularly important because the policy tools of collaborative adjustment differ significantly from the policy tools of the existing human services system. Many actors need practical experience with them in order to understand how they work.⁶⁶ Even once policy makers commit to the idea of community-based planning and decision-making for human services, furthermore, many do not understand the practical implications of such an approach. Some have eventually come around after repeated interactions with strong-willed local collaborators who firmly reminded them that the reform agenda they have endorsed seeks to increase the autonomy of

⁶⁴ Participants in the Decategorization site in Cass, Mills, and Montgomery Counties, Iowa, for example, have held an informal retreat approximately once a year to review the match between their operational activities and their formal responsibilities. At these meetings, they have scrutinized their activities, and asked themselves whether they have taken on new ones casually or by default. They have then discussed whether they should adopt these new activities as part of their formal responsibilities, or pull back from them because they represent an unwanted drift in focus. This regular examination and revision of responsibilities has been valuable in helping participants manage the complexities of collaboration across county agencies and service providers from three counties -- many of whom are unaccustomed to working with their peers from the same county, much less across county lines. One such examination revealed that the local Decat Board was micro-managing many of its service delivery contracts, rather than encouraging providers to devise their own solutions. In response, the Board made a conscious effort to give the service providers more leeway, and focused its scrutiny more on the outcomes the providers' activities were generating. (Interview with local Decat staff, 1998.)

⁶⁵ Interview with Mark Friedman, Fiscal Policy Studies Institute (1998). One county collaborative in Minnesota, for example, faced the dilemma of trying to find an optimal allocation of its funding across a number of local Family Centers' service delivery budgets. After giving each Center an equal amount of money the first year -- which was grossly inadequate for some, and overwhelmingly vast for others -- in its second year the county Children's Initiative Board asked the Centers to submit preliminary budgets and work plans in advance. Staff analyzed them and posed clarifying questions to each Center. A Budget Review Committee interviewed a team from each Center, conferred among themselves, and made funding recommendations to the Board. "This not only proved to be a process which resulted in budgets adequate for the program and in better program definition, it also proved to be a process that brought to a head the problems of the Family Center which was not producing. ... An additional bonus of the process is that key members of the Children's Initiative Board and of teams now have a good understanding of how the Family Centers actually are functioning." Page 10 of "St. Paul/Ramsey County Children's Initiative Two-Year Outcome Report," in Ingram and Seppanen, *A Summary of Two-Year Outcome Reports and Outcome Evaluation Plans* (December 1996).

⁶⁶ Some department heads in Georgia, for example, initially saw interagency collaboration (the state Family Policy Council, as well as the local Community Partnerships and Family Connection sites) as a way to tap other agencies' resources to help carry out their own agencies' separate missions. After gaining experience participating in Policy Council meetings, they came to understand that the aim of the Family Policy Council is to restructure all the state agencies' missions and functions so as to support the local, collaborative design and implementation of service strategies. (Interviews with Georgia state officials, 1996.)

local collaboratives, rather than to use them as vehicles for implementing centrally designed programs.⁶⁷

One anecdote from Georgia captures both the possibilities and the frustrations that arise when community residents take the initiative to try to direct government resources in new directions. Three or four years ago, the residents of a public housing project proposed to county officials that they form a mutual assistance group called the Neighbors Network, and requested resources and assistance from the county based on needs and priorities they had identified. The county proposed instead that the housing project become a support site for single teen mothers, which had nothing to do with the residents' priorities. (A review of the residents' rolls indicated that only two teen mothers lived in the project, and they were both married). Various counterproposals traded hands, to little avail. The Neighbors Network finally prevailed when staff from the local human services collaborative pointed out to the county that Georgia's Family Connection initiative emphasized that community residents be given the opportunity to determine the mix and types of services at the local level. My follow-up research in 1998 found that the original Neighbors Network is thriving. Many county officials remain unaware of the Network's intentions, but it is expanding and new community groups are forming, thanks to a community leadership training program sponsored by the county Family Connection collaborative.⁶⁸

2. Implementing an Unfamiliar New System

Because of the novelty of the policy tools of collaborative adjustment, iterative learning is also useful to improve the implementation of the new system. Service providers, recipients, and community members may face difficulties designing their own interventions appropriate to local needs and resources. After dealing with centrally designed human services programs for years, they may be suspicious—or at the least unprepared to take advantage—of an open-ended community planning process. Because the new system is locally driven, it is almost impossible for reform proponents to draw up precise guidelines for community partners and state agency staff to follow. Local service strategies will vary from one local collaborative to the next, and the roles of the state agencies in assisting and overseeing them will vary accordingly.

State agency line staff are accustomed to performing discrete, specifically designated tasks, rather than pursuing open-ended, loosely defined missions. They are therefore likely to need a strong, clear message, as well as facilitation and assistance, to adapt to the new management environment and performance expectations.⁶⁹ These messages and facilitation efforts cannot be

⁶⁷ As one local collaborative coordinator in Georgia put it, "County and state agency heads may call what they're doing 'systems change,' but they often have no clue what's involved in taking projects to scale and really changing their systems from the front line, to the bookkeeping, all the way to the boardroom." (Interview, 1996.)

⁶⁸ Interviews with county collaborative staff (1996, 1998).

⁶⁹ Interviews with state officials in Missouri and Minnesota (1996). In one collaborative site in Minnesota, for example, "The staff assigned from agencies to work within local collaboratives are sometimes not knowledgeable about collaborative approaches and have not been given clear authority to provide services to families and children in a more flexible manner." Yet when agency managers became invested in and committed to collaboration, "Line staff [were] then given a clear message to work collaboratively and flexibly, and their workloads [were] adjusted accordingly." Bloomberg, Colby, Ingram, and Seppanen, *Minnesota's Family Services Collaboratives: Barriers to Collaboration and Service Integration* (July 1996).

too prescriptive, since local collaborators need the chance to develop their own understanding of, and capacity to design, their own collaborative roles. Community decision making can help the new system respond to local conditions, and it can also be an important symbol for local participants. Since the new system is supposed to be directed locally, local participants may feel betrayed if central direction becomes too prominent.⁷⁰ Some state-level reformers have nevertheless established new beach heads of decentralized bureaucratic operations on their own terms, which they hope will take root as the new way of doing business in local communities.⁷¹

Local collaborators also need time to learn together how to design a budget, designate staff, execute contracts, and perform other operations involved in developing and implementing a strategic plan for delivering integrated services. Community collaborators I interviewed repeatedly pointed out that complex new planning efforts, especially joint ones, always take more time to develop than expected, and that thorough staff training is absolutely necessary but takes additional time. Managing a local collaboration is a very labor-intensive process. Political pressure to show results quickly and to broaden the local constituency for reforms nevertheless often pushes reform architects to ask local collaboratives to develop formal comprehensive plans before the latter feel comfortable doing so.⁷² While local collaboration is rarely destroyed outright by overly ambitious time lines, starting formal state-local collaboration with a small group of experienced sites can allow less experienced sites to build collaborative capacity without hurting the momentum of the state's reform agenda.

The complexity of the new service strategies that local sites are employing can also lead to difficulties in design and implementation that can only be solved by careful analysis and

⁷⁰ One local collaborative in Minnesota noted, "Whenever decision-making ... shifted to upper administrative levels of the initiative, the level of measurable progress and enthusiasm diminished." Page 8 of "Hennepin County - The Redesign Two-Year Outcome Report," in Ingram and Seppanen, *Summary of Two-Year Outcome Reports and Outcome Evaluation Plans* (December 1996).

⁷¹ The Missouri Department of Social Services (DSS), for example, used funding from the interagency Caring Communities initiative to hire new Child Protective Service (CPS) staff whom they outstationed at schools participating in the initiative. Rather than trying to move existing CPS staff into the schools, they used budget money provided by the new initiative to pilot the new approach to service delivery. Once the schools, front-line staff, and CPS line managers grow accustomed to the new approach, the plan is to move other staff into schools or other community-based settings. Top agency managers hope to generate support for the idea of transferring front-line staff into community-based settings by having line managers meet directly with local collaborators and listen to their aims and plans. In the words of one state DSS official, "At that point it'll be really tough for the state bureaucrats to sit at the table with the local folks and say, 'I don't have the staff to give to the local communities,' when everyone knows they've got buildings full of staff back in the state capital." (Interview, 1996.)

⁷² Several community collaboratives and a number of state officials in Missouri and Oregon regret that the communities didn't have more time to plan and build their collaborations before the state gave them funding and service responsibilities. The one community in Missouri in which my informant did not express the need for more preparation time was one in which collaboration had begun several years before the state's systemic reform initiative. Similarly, in Georgia, many informal community collaboratives struggled to establish fiscal agents to pool various funding streams at the same time that they were applying to become formal Community Partnerships. Communities whose collaboratives had been in place longer already had their fiscal arrangements in order (e.g., Chatham-Savannah). The challenges faced by Minnesota communities that lacked collaborative experience when the state reforms began reinforces the argument in favor of letting communities develop some informal collaborative capacity before making formal demands on them. (Interviews with state and local officials in all four states, 1996, 1998.)

revision.⁷³ Flexibility in designing service strategies can help local collaborators uncover valuable variations or new techniques that might not come to light under more structured, pre-planned approaches to designing services. Pursuing one service strategy can reveal unforeseen connections between it and other service strategies.⁷⁴ Supplying the funds, staff, and other resources necessary to use the policy tools of the new system may also require the development of additional policy tools or new administrative procedures (e.g., personnel classifications, the use of particular funding streams) that do not exist under the old human services system.⁷⁵

3. Implications of Iteration: Scaling Up

Since collaboration and community-driven service delivery cannot be prescribed or mandated, proponents of systemic reform must create opportunities and incentives for would-be allies to develop their own understanding and vision for collaborative activity. State-level reformers in Georgia, Iowa, and Missouri initially identified broad goals and encouraged local partners to come together, identify local strategies for achieving the goals, and propose community plans for implementation. This open-ended approach created a general framework that enabled local collaborators to work together to develop their familiarity with one another and with collaborative approaches to designing and delivery services.⁷⁶ Reform proponents refrained

⁷³ As one local collaborative in Minnesota observed, “The need to refocus and prioritize occurs with some regularity. Initial planning options included support of co-operative child care, which -- while critically important and truly a great need -- was a difficult program to design. After several fits and starts, a consultant was brought in to meet with interested community partners to move the plan from ‘just an idea’ to development of a realistic, feasible plan.” Page 7 of “Northwest Hennepin Family Services Collaborative Two Year Outcome Report,” in Ingram, Colby, and Seppanen, *A Summary of Two-Year Outcome Reports* (September 1997). Another example is recounted in Chapter Seven (on the design of the new system): the Chatham-Savannah (GA) Youth Futures Authority was originally formed to improve the lives and school performance of at-risk youth and young adolescents. After several years of work, collaborators recognized that some of the poor outcomes they sought to prevent for junior high and high school students could only be addressed through preventive interventions with younger children and their families. The Authority therefore added new service strategies focused on improving early childhood development and elementary education. Chatham-Savannah Youth Futures Authority, *Fifth Phase Plan* (Savannah, GA: Author, January 1998), p. 7.

⁷⁴ School-linked services in one school in Winona County, Minnesota, for example, led to a request from Hmong parents for their own parenting group -- which the existing parenting education program offered to fund, but would not have discovered without the school-linked services effort. Page 6 of “Winona County Community Connections Project Two Year Outcome Report,” in Ingram, Colby, and Seppanen, *A Summary of Two-Year Outcome Reports* (September 1997).

⁷⁵ Service delivery contracts under Iowa’s Decategorization Initiative, for example, were at first subject to the traditional, restrictive format prescribed by the existing purchase of service process of the regional Department of Human Services offices. While some Decat counties came forward with innovative decategorization proposals, translating them into traditional contracting language took a long time, and forced service providers to function more traditionally than the local collaboratives wanted them to. In response, the state Department of Human Services created a different process to handle the Decat sites’ contracts. Sites now submit their proposals directly to a central state decategorization coordinator, who shepherds them through the contract creation process, in order to expedite the process and retain their individualized and innovative features. In addition to increasing the flexibility that sites’ contracts have to address local conditions, this approach also enables sites to benefit from the expertise of the state office in writing the actual contracts. Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning*, p. 27. I heard stories of similar examples in an interview with Georgia state officials (1996).

⁷⁶ By regularly assessing local needs and developing comprehensive community plans to address them using all available resources, for example, collaborators gradually learned what services and supports were available in their counties. In Iowa such local planning processes created “a gradual process of awareness-raising, relationship-

from formalizing the specific governance and management arrangements for the new system until the direction of the pilot sites' activities, as well as trust and working relationships among the local collaborators, were more established. When reform planners later specified more formal parameters for community planning and service delivery, local collaboratives had already developed some sense and capacity for how to address them.

Iterative learning may proceed too slowly, however, and an endless sequence of pilot sites and experimentation with new policy tools will not serve to institutionalize the new system. A central challenge of piecemeal, iterative reform is thus aggregating the various policy tools, partners, and pilot projects that constitute systemic reform experiments -- many of which originate with little knowledge of, or reference to, one another -- into a coherent new system. If the policy tools of collaborative adjustment prove incapable of winning the confidence and finances of state and federal policy makers, they may remain mere management innovations at the margins of the existing categorical human services system. Until core human services funding is redirected to support the comprehensive plans and service strategies of the new local collaboratives -- as in Iowa's Decategorization Initiative -- the new policy paradigm represented by collaborative adjustment remains latent and implicit.

Moving to a whole new system is more difficult than implementing a series of special projects, for two reasons. First, entire state agencies, and all the counties in the state, ultimately must change the way they plan, manage, and deliver human services. Scaling up requires that the new system become the new way of doing business throughout the state -- not just for enlightened communities and segments of the state bureaucracy, but for everyone. With a series of pilot projects, in contrast, reformers can simply identify creative, committed actors and count on them to innovate. Second, moving to a new system at first holds considerably less political appeal than implementing a series of pilot projects, because public managers and elected officials can no longer take credit for specific innovative models if the new system is operating throughout the state. Instead of being able to point to a special project site, they can only claim to be working hard at implementing the new system, which -- since everyone else is doing the same thing -- is a less notable achievement.

A successful new system of collaborative adjustment may create numerous opportunities for political credit-claiming in the long run, of course. Improved outcomes for children and families, better and more available services, fewer funds spent on remedial and crisis care, and overall improvements in the quality of community life around the state -- all should redound to benefit elected officials, public managers, and line staff alike. Consistent, state wide evidence of the new system's benefits for the families being served -- much less for entire communities and voters in general -- are still a long way off, however. Preliminary evaluation findings from Georgia and Missouri show promising results in pilot communities, but cannot necessarily be attributed to the tools of collaborative adjustment alone.⁷⁷ In the meantime, the challenges remain of scaling up the use of the new policy tools in communities throughout the state.

forming and commitment-building." Kimmich, et al., *Iowa Decategorization as a Strategy for Comprehensive Community-Based Planning*, p. 35.

⁷⁷ See Georgia Policy Council for Children and Families/Family Connection, "Savannah YFA's Family Resource Center Phase 3 Evaluation: Selected Interim Indicators of Progress" (Atlanta, GA: Policy Council Meeting

While the challenges of scaling up are substantial, examples now emerging from leading states suggest that iterative learning may prove as useful in the process of scaling up as it is in initial efforts to design and build the capacity of the new system. Iowa and Missouri, for example, are gradually adding new policy responsibilities to the agendas of their more developed local interagency collaboratives.⁷⁸ New policy areas bring their own challenges of collaboration and capacity building, of course. Iowa nevertheless appears to be approaching a “tipping point,” beyond which local collaboratives become the accepted means for designing and implementing initiatives in a variety of related policy areas that affect children and families. Using iterative learning to develop, adjust, and promote the new system continues to serve reformers in these leading states well as they confront the challenges of scaling up and institutionalization.

III. Conclusion: An Ideal Process of Successful Systemic Human Services Reform

The anecdotes in this chapter have illustrated how reform proponents have used two change strategies in combination -- multiple political leverage points and iterative learning -- to engage simultaneously in the processes of system design and political management that are essential to systemic reform. Other recent research echoes the virtues that combining state and local leverage points with ongoing learning can have for systemic reform.⁷⁹ What remains is to construct a developmental portrait of systemic reform that brings the tools, the change strategies, and the processes of system design and political management together into a conceptual whole. This portrait starts with the idea that multiple leverage points and iterative learning are both critical to systemic reform initiatives because they offer the potential to create new dynamics in both political management and system design.

At the beginning of their efforts, the successful proponents of systemic reform that I studied authorized pilot communities to experiment with collaborative service delivery, using small amounts of foundation money or discretionary federal funds to support their activities. By publicizing the collaborative activities and accomplishments of these sites, reformers built support for their agenda at both the state and local level. Reformers then revised their ideas about the design of the emerging system based on the experiences of the pilot sites, and established additional sites, attempting in the process to improve the effectiveness of the system and to win more converts to their cause. Even once a number of demonstration sites were operating and reformers had cultivated some support in the executive branch and the state legislature, they continued working to secure the political cooperation and technical capacity of local collaborators and state partners. Throughout this process, the design of the policy tools of

Handout, November 6, 1997); Philliber Research Associates, *The Status of Caring Communities, July 1997* (Accord, NY: Author, 1997). For highlights of the results, see the case studies of Georgia and Missouri in Chapter Five.

⁷⁸ Five of Missouri's Community Partnerships have been designated as planning and implementation bodies for welfare reform, and all the Community Partnerships will be given an opportunity to work on a forthcoming early care and education initiative as well. The Iowa legislature recently passed a “Community Empowerment” block grant to the counties to fund services for young children ages birth to six. (Interviews with state officials, 1998.)

⁷⁹ “[I]n states where service integration seems to have the best hope of taking root, there is a rich exchange between a state and its localities, marked by bi-directional communication pathways and a genuine spirit of collaborative learning.” S.L. Kagan, S. Goffin, S. Golub, and E. Pritchard, *Toward Systemic Reform: Service Integration for Young Children and Their Families* (Falls Church, VA: National Center for Service Integration, 1995), p. 69.

the new system depended both on what appeared to work in the pilot sites and on reformers' political management strategies.

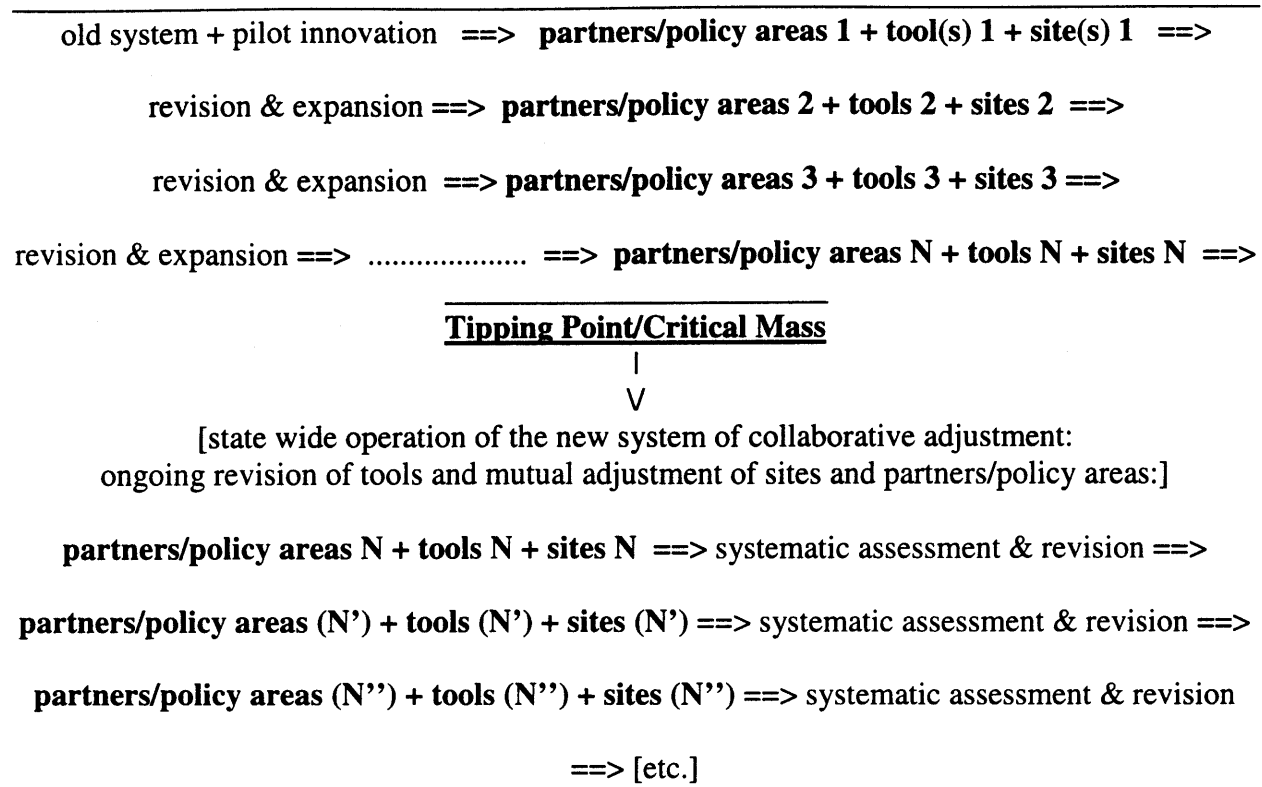
As the anecdotes in this chapter illustrated, creating multiple leverage points through such a process can bring new ideas and resources to bear, thereby expanding the range of service strategies, funding, and checks on decision making available in the emerging system. Equally important, it provides proponents of reform with new forms of leverage on legislative and bureau-cratic power centers. Instead of having to convince law makers and line staff of the benefits that the tools of the new system hold for their individual agencies in isolation, reformers from various state agencies can make their case together with one another and with local collaborators. Rather than confronting the near impossibility of enforcing a new mandate (or set of mandates) on their line staff, state-level reformers can encourage willing partners from community-based organizations and others outside their line staffs to join the local collaboratives. These new partners can then implement the emerging tools of the new system side-by-side with, or in place of, the line operations of the old system. Under these circumstances, the challenge of bureaucratic reform is no longer the standard principal-agent dilemma of ensuring compliance with central mandates. Instead, it entails demonstrating the viability -- eventually the superiority -- of the tools of the new system in the face of those of the old one, without having to rely completely on practitioners who are only accustomed to working in the old system.⁸⁰ In other words, by creating multiple leverage points, proponents of systemic reform can broaden the scope of bureaucratic conflict, thereby altering the dynamic of political management of their reform agenda.⁸¹

This political management process -- of gradually displacing the mainstream operations of the old system by demonstrating the benefits and popularity of the tools of the new one -- benefits from the use of iterative learning as a change strategy as well. As those already involved in implementing the new system refine their understanding of its operations, they can figure out the best ways to add new policy tools, local collaborative sites, interagency partners, and policy areas to their efforts over time. This iterative strategy permits them to revise their understanding of the design of the new system as they expand its operations around the state. When new tools, sites, partners, and policy areas come on line gradually in the new system, their roles and functions can become increasingly clear to everyone involved, in light of the practical experiences of those already participating in the reform initiative. As the case studies of Georgia, Iowa, and Missouri illustrated, the design of the new system, as well as the capacity of actors to implement it, can develop slowly but steadily over time as a result of iterative learning. Schematically, this developmental dynamic might look like:

⁸⁰ Several proponents of systemic reforms in different states articulated a similar theory of using smart, committed staff to carry out innovative projects at the margins of the existing system. They hope that these projects will eventually prove superior to the mainstream operations of the old system and become the new mainstream, leaving the vestiges of the old system as the new margins. As this happens, the new projects win some converts from the old system, while other adherents of the old system drop off or quit, and eventually the new projects completely marginalize the operations of the old system. Interviews with Georgia Policy Council member (1996) and Alameda County (CA) agency director (1997). Jerome Miller also used this strategy to reform the Massachusetts' Department of Youth Services in the 1970s. See note 24 above. Thanks to Chuck Sabel for helping to clarify this logic of change for me.

⁸¹ On the idea of the importance of the scope of conflict in affecting power dynamics in politics, see E.E. Schattschneider, *The Semi-Sovereign People* (New York: Holt, Rinehart, and Winston, 1960).

Figure 6.1: Bootstrapping Process of Systemic Human Services Reform



As the process outlined in Figure 6.1 suggests, proponents of systemic human services reform can use multiple leverage points and iterative learning to expand the conceptual possibilities of what human services policies look like, from the front line to the state level. As the Chapter Three described, the process of iterative revision continues once reforms have gone to scale, because the ongoing operations of the new system involve regular assessment and revision of key policy tools (as the bottom half of Figure 6.1 indicates). The vision of a new system that reform proponents are advancing is just this: a process of continuous improvement of human services strategies, policy goals, and administrative arrangements, through experimental innovation and adaptation.⁸² Thus their operating *vision* of a new system -- wittingly or unwittingly -- builds on their change *strategies* for moving from the old system toward the new one.

The bootstrapping process described here is especially applicable to current state efforts to reform their human services systems, because it shares so much in common with the policy tools of collaborative adjustment that reformers are trying to institutionalize. Just as the bootstrapping

⁸² As reformers in Missouri described their efforts, "System change implementation involves a continuous cycle of designing, testing, and adjusting." Rozansky, *Missourians Working Together*, p. 54.

process features iterative, multi-faceted deliberation about the design of the emerging system, the fully-formed system itself operates largely through multi-faceted, iterative processes.

We can nevertheless distinguish the cause of reform from its outcome by differentiating between the change strategies of reformers and the design of the new system. As this chapter has explained in detail, successful systemic human services reform depends substantially on the use of two *change strategies* -- multiple leverage points and iterative learning. The outcome is the *design of the new system* of collaborative adjustment, comprised of the policy tools described earlier in the System Design Chapter: family-friendly service strategies, interagency collaboratives at the state, county, and neighborhood levels, flexible funding, outcome-based accountability, state-local "partnership agreements," and the master tool of iteratively assessing and revising the other five policy tools. Reformers can essentially extend one of the change strategies they have been using -- the iterative learning aspect of bootstrapping -- to create the master tool in the new system's policy design.

Chapter 7: Conclusion

The preceding chapters suggest a series of findings from this study. To begin with, frustration with policy performance helps inspire the bootstrapping process of systemic reform. Without a strong perception that their effectiveness in serving clients is unnecessarily compromised, practitioners lack the impetus to pursue change wholeheartedly, as well as the sense of uncertainty that can induce them to begin searching for entirely new ways to solve problems.

Second, systemic reform initiatives can emerge and thrive in a variety of different settings and under a range of conditions. Beginning the process of bootstrapping requires only the recognition that existing solutions to difficult problems are inadequate, and that alternative possibilities can best be discovered through experiments in the field. As the case studies demonstrate, states with policy legacies of generous social provision and policy innovation, as well as states that are newcomers to the idea of assisting children and families, can all undertake systemic reform through bootstrapping. Hence policy legacies may affect, but do not determine, the prospects for the adoption and institutionalization of collaborative adjustment for human services.

Third, as a corollary, the strategies of reform proponents also have a critical -- if not determining -- influence on the prospects for successful reform. In particular, reformers' strategic efforts are often most fruitful when they formulate the principles of a broad vision for reform, and encourage actors in a variety of settings to begin experimenting and searching for pragmatic solutions to immediate problems. Various entry points are viable, as long as reformers gradually add new pilot sites, policy tools, and partners over time, reflecting and learning as they go.

Finally, multiple leverage points and iterative learning can both contribute to the development of the design of the emerging policy, as well as to the process of building political support for it. In fact, the design of collaborative adjustment draws directly on the multi-faceted, iterative processes involved in bootstrapping reform. States in which reformers utilize both multiple leverage points and iterative learning are more likely to institutionalize collaborative adjustment than states in which reformers utilize only one of the change strategies.

These specific lessons, and the process of bootstrapping more generally, embody a challenge to the existing understanding of policy change and policy learning, as the Theory Chapter suggested. This chapter revisits this challenge and explores its theoretical implications further. The first section briefly reviews the argument thus far about the process of bootstrapping and the design of collaborative adjustment. The second contrasts systemic reform through bootstrapping to punctuated equilibrium views of policy change. The third section speculates about the prospects for extending the process of systemic reform to change the larger system of human services policy making and administration. It summarizes the challenges that reformers face and explores the possibilities for addressing them by capitalizing on the design of collaborative adjustment -- most notably the way it fuses situational and substantive forms of policy learning. The concluding section extrapolates from the possibilities raised by bootstrapping to suggest a new way to think about the challenges of reforming the welfare state within the constraints posed by U.S. political institutions.

I. A Review of the Argument

The general argument presented in this dissertation is, on its face, the familiar one that ideas and strategies matter for policy outcomes, and that efforts to learn from past policies and from daily experience can inspire creative new ideas about how to improve policy performance. A moment's reflection, however, suggests that the claims here are more nuanced. Some policy ideas -- such as systemic human services reform -- may not become fully formed policy solutions except through a groping, muddling, trial-and-error process that enables reformers to identify a series of concrete reforms that operationalize and extend their initial ideas.

Certain types of policies may be particularly amenable to this process of development. As the diagram at the end of the previous chapter shows, the developmental process of bootstrapping reform and the ongoing operations of collaborative adjustment for human services are strikingly similar. The iterative assessment and revision characteristic of iterative learning do not occur only during the bootstrapping process of policy development; they will continue once the emerging system of collaborative adjustment becomes fully operational. As the System Design Chapter explained, the division of responsibilities between the state and local levels varies from community to community under collaborative adjustment, and even for each community it evolves over time in response to the results that local strategies achieve.

The fully-finished form of the new system thus has no fixed design. The fact that the design continues to evolve throughout the process of development *and* as a fundamental part of the system's regular operations has significant implications for the theories of policy change reviewed in the Theory Chapter.

As suggested earlier, implementation experiments can generate management innovations that scale up to inform small policy changes. As bootstrapping continues, and repeated reforms alter more and more features of the existing system of policy making and administration, the distinction between small- and large-scale policy change appears increasingly blurry. As the Case Studies and the Developmental Process Chapter demonstrated, implementation experiments that grope along can give rise to repeated rounds of small-scale policy change -- the essence of muddling through. If, as Iowa's promising developments suggest may be possible, this series of changes eventually transforms the current approach to human services policy making and administration, the whole system will have been revolutionized -- not all at once, but piece by piece.

Since the design of the emerging system is not fixed, but continues to change indefinitely, policy development and policy implementation are inseparable parts of the same process. Implementation informs policy development through bootstrapping. Once collaborative adjustment is fully operational, implementation will continue to inform policy redesign in an ongoing process reminiscent of making policy by muddling through, only structured in a way that identifies and promotes the adoption of implementation strategies that prove especially effective in particular local settings.

II. Systemic Human Services Reform: Policy Paradigm Change, or Bootstrapping Transformation?

Bootstrapping has the potential to foster a series of innovations that scale up in complexity -- from implementation by groping through small-scale policy changes, and potentially to larger changes that transform policy making and public administration into a dynamic, evolving system. The politics and processes that bring these changes about are similar, albeit differentiated by their scale and impact.

In the conventional view of policy change, in contrast, small-scale changes in policy are clearly distinct from large-scale ones (and implementation is a separate process altogether from any kind of policy change), as the Theory Chapter explained. Long-running continuity in policy and political arrangements, characterized by small-scale changes and the politics of muddling through by iron triangles and issue networks, is occasionally disrupted by the identification and adoption of radically different policy ideas and aims. When disenchantment with an existing policy is especially extreme and widespread, proposals for large-scale changes can provide a rallying point for the formation of a broad new political coalition. If they generate sufficient appeal to be enacted, such proposals can create a new policy paradigm. The politics and processes of small- and large-scale policy changes are thus quite different.¹

A change in policy paradigms, the conventional view argues, occurs when the pull and tug of both received experience and proposals for new policy aims disrupt existing politics and policy practices, leading to the formation of a new coalition favoring a change in policy. The politics of such a process are complicated and uncertain, and depend on the substantive specifics of the new policy being proposed, as well as on situational lessons attributed to the old policy. The stability of existing policies and politics is disrupted during paradigm change, but then stable new political arrangements usually form around the new policy and the coalition that enacted it.² Policy paradigm change is therefore usually characterized as a sudden moment of “punctuation” between two periods of “equilibrium.”

The notion of punctuated equilibrium implies that policy paradigm change involves a conversion from the equilibrium of an old paradigm (such as the existing categorical human services system)

¹ See P. Hall, “Policy Paradigms, Social Learning and the State: The Case of Economic Policy Making in Britain,” *Comparative Politics* (April 1993), 275-296; F. Baumgartner and B. Jones, *Agendas and Instability in American Politics* (Chicago: University of Chicago Press, 1993). The original idea of a paradigm change derives from work on research in the natural sciences. Such change occurs when practitioners replace one approach to understanding and acting in the world with another approach, after the limitations of the original approach become more and more manifest. Change is brought about by practitioners who become dissatisfied with the effectiveness of the existing paradigm in guiding their approach to solving basic problems. They consequently search for new ways to solve problems, demonstrate the utility of their new approach to their peers, and win converts to the new paradigm through a process that is both technical and political. See T. Kuhn, *The Structure of Scientific Revolutions*, Second Edition (Chicago: University of Chicago Press, 1970). Proponents of systemic human services reform in fact often refer to their vision as constituting a “paradigm change” from the existing system of central, categorical services. For an example, see F. Farrow and C. Bruner, *Getting to the Bottom Line: State and Community Strategies for Financing Comprehensive Community Service Systems*, Resource Brief (Falls Church, VA: National Center for Service Integration, 1993), p. 14.

² See Baumgartner and Jones, *Agendas and Instability in American Politics*.

to a new equilibrium, once a critical mass of support emerges in favor of the new one. Punctuated equilibrium views of policy change often identify legislation or elections as pivotal moments that establish the new paradigm or regime.³ The 1996 federal welfare reform legislation, for example, may turn out to be the punctuation mark between the New Deal and more devolved social policy arrangements in the U.S. Similarly, the passage of state legislation may eventually mark the point at which collaborative adjustment becomes recognized as a new paradigm for human services.

In many respects, however, the existing human services system in the U.S. has been in crisis and in need of a new paradigm change since the mid-1980s. At that point, the twin forces of fiscal stringency and demographic changes (e.g., the increase in single parent families, economic dislocations due to the decline in industrial jobs, the increase in the use of crack cocaine, and other causes of family instability and neighborhood decay) began to overwhelm various sub-sectors of the system, most notably child welfare agencies.⁴ The idea of punctuated equilibrium suggests that these destabilizing forces should have led policy makers to disband and replace the existing system in short order. Instead, though, they have muddled through with incremental adjustments that have barely maintained a jerry-rigged version.⁵ During the slow decline that has ensued, various alternatives have been proposed -- such as scrapping the entire system or devolving federal programs point blank to the states -- but none has been able to triumph and create a new policy paradigm. While large-scale policy change seems imminent -- for example, some form of retrenchment⁶ -- no clear alternative policy making system or paradigm has been able to emerge, gain adherents, and displace the existing system outright. The New Deal system of policy making and administration, and the politics that under gird it, currently lurch from crisis to crisis. The national policy debate appears stuck in a stalemate.

A close look at the bootstrapping process of systemic human services reform in the states, in contrast, suggests that creative collective imagination coupled with inventive political strategies may be capable of producing significant changes in the existing system of policy making and administration for human services, despite the inhibiting political environment. The gradual, piecemeal nature of policy changes in the states implies that a punctuated equilibrium view of policy paradigm change may portray change as too sudden and dramatic to apply to the case at hand. Proponents of collaborative adjustment in leading states can point to a number of demarcation (or "punctuation") points, yet their new paradigm is still not firmly established. Legislation authorized the first sites in Iowa's Decategorization Initiative and Minnesota's Family Service Collaboratives, and created the Family Policy Council and Community

³ Baumgartner and Jones, *Agendas and Instability in American Politics*. For the theory of critical elections, see W.D. Burnham, *Critical Elections and the Mainsprings of American Politics* (New York: Norton, 1970).

⁴ On the "fiscalization" of social policy in the 1980s and 1990s, see P. Pierson, "The Deficit and the Politics of Domestic Reform," in M. Weir (ed.), *The Social Divide* (Washington: Brookings, 1998). On the demographic changes and the new challenges they created for child welfare, see United States General Accounting Office, *Child Welfare: Complex Needs Strain Capacity to Provide Services*, Report to Congressional Committees, GAO/HEHS-95-208 (Washington: United States General Accounting Office, Health, Education, and Human Services Division, September 1995).

⁵ As Deborah Stone argues, the U.S. welfare state is disabled, capable at best of hobbling along under the weight of the existing patch work of policies and their haphazard implementation. See D. Stone, *The Disabled State* (Philadelphia, PA: Temple University Press, 1984).

⁶ See P. Pierson, "The New Politics of the Welfare State," *World Politics* 48 (January, 1996): 143-79.

Partnerships in Georgia, as well as the Oregon Commissions on Children and Families. The piecemeal nature of reform has prevented any of these initiatives from appearing as paradigmatic innovations thus far, because the policy tools of collaborative adjustment have yet to displace those of the old categorical human services system. Instead of entirely replacing the tools of the old system all at once or even one by one, the tools of collaborative adjustment are leaking around and into the operations of the old system -- displacing them in some cases, and operating along side them in others.

This ambiguity is due to the incomplete -- or "in process" -- status of the systemic reform project at this point. That very incompleteness, and the ambiguity it creates in the process of policy paradigm change, stem from the fact that collaborative adjustment itself has no fixed design. Its policy tools are dynamic processes rather than fixed ingredients in a static recipe, as Chapter One intimated. As a result, even avid reform proponents are unsure exactly what the specifics of the emerging system will eventually look like, because it is not an equilibrium in which policy tools fit together in a recipe. Instead, it is a system comprised of ongoing processes that are designed to adapt to different local contexts and changing circumstances over time.

A change from a static policy paradigm that operates as a recipe to a dynamic one that operates as a flexible process may look different than a switch from one state of equilibrium to another. When policy paradigm change involves a conversion from a recipe-based system to a dynamic one, it may not be possible to identify a single point of "punctuation" at which the equilibrium of the old system gives way to the new. Even in the most viable case of reform that I studied (Iowa), where a critical mass has already emerged in favor of systemic reform, there is no precise moment at which the equilibrium of the old paradigm was "punctuated," and the processes of the new paradigm established. The 1987 legislation authorizing Decategorization provides no clear demarcation point, as reforms began initially in only two counties, and today, even with Decategorization operating state wide, state agencies other than the Department of Human Services have only begun to experiment with the tools of collaborative adjustment. The establishment of a new paradigm remains incomplete.

Of course, the hindsight of future historians may blend much of this ambiguity out of the analysis of paradigm change from the New Deal system of policy making and administration to whatever alternative eventually takes its place. Collaborative adjustment may turn out to be ineffective in practice, or may never take hold in enough states to prove its worth. As a result, it may appear as yet another failed reform cycle in the history of U.S. social policy, and explicit retrenchment may come to dominate instead. In this scenario, social provision is likely to become increasingly the responsibility of individuals and families with the financial means to purchase help in the private market, though some communities that are especially rich in social capital may create more collective arrangements. Alternatively, a severe political crisis might send political entrepreneurs searching for a way to improve policy performance, rather than simply a way to devolve existing federal programs to the states. Collaborative adjustment might then be adopted in national legislation. Such an unexpected development would obscure the experimental, piecemeal changes that leading states have achieved thus far, just as the precursors

to old age security insurance (Social Security) in the U.S. are usually omitted from explanations of its adoption during the big bang of social policy change in the 1930s.⁷

Regardless of the eventual fate of collaborative adjustment, its gradual emergence through bootstrapping, and the tensions it has created so far in relation to the existing human services system, are worth highlighting for analytic purposes. In particular, these developments suggest that explanations of policy change that focus primarily on moments of actual "punctuation" blind future historians and current analysts alike to the background changes that bring these moments about -- or that challenge existing equilibria without displacing them.⁸ Destabilization and contestation of the old paradigm may begin well before any moment of punctuation, as the history of thinking about current systemic human services reforms indicates (see the History Chapter for details). Contesting paradigms may also persist for long periods of time without succeeding in displacing the existing equilibrium, and then gradually lose political strength and effectiveness -- as many of the War on Poverty programs did in their attempt to depart from the New Deal system (again, see the History Chapter). Discovering the possibilities and not just the certainties of policy change thus requires identifying and analyzing the strength of contending policy ideas, and charting the rise of those that succeed and the blockages suffered by those that fail.

In sum, the complex, uncertain process of systemic reform through bootstrapping implies that cases of policy paradigm change may be more indeterminate than pure portraits of punctuated equilibrium suggest. Proponents of change can develop new policy tools and introduce them piecemeal, along side those of the old paradigm. During this process, distinct paradigms may operate side by side, and emerging ones may or may not win the acceptance of a critical mass of supporters.⁹ In my cases of systemic human services reform, for example, proponents of reform may fail to consolidate the piecemeal innovations they have achieved thus far. For these reasons, policy paradigms need to be understood as contested -- not simply dominant or defeated -- to comprehend the variety of possible outcomes of the paradigm change process.

⁷ For a recent corrective, see T. Skocpol, *Protecting Soldiers and Mothers* (Cambridge, MA: Harvard University Press, 1992).

⁸ The analysis here emphasizes the changes that policy ideas and their elaboration through bootstrapping by creative practitioners can bring about. For a similar argument framed in more structural terms, see K. Thelen, "Historical Institutionalism in Comparative Politics," *Annual Review of Political Science*, Vol. 2 (Palo Alto, CA: Annual Reviews, Inc., forthcoming, 1999). Thelen urges scholars to identify specific incongruities or tensions within particular equilibria that can shift to bring about destabilization and hence openings within which new paradigms can emerge.

⁹ Here I draw on the challenges to Kuhn's view of paradigm change in the natural sciences. See P. Feyerabend, "Consolations for the Specialist," I. Lakatos, "Falsification and the Methodology of Scientific Research Programmes," K. Popper, "Normal Science and Its Dangers," in I. Lakatos and A. Musgrave (eds.), *Criticism and the Growth of Knowledge: Proceedings of the International Colloquium in the Philosophy of Science, London, 1965. Vol. 4* (Cambridge: Cambridge University Press, 1970). My application of these views to policy paradigms owes something to recent research illustrating that heterodox models of economic production have contested the orthodoxy of dominant production techniques throughout industrial history. See, for example, the editors' "Introduction" in C. Sabel and J. Zeitlin (eds.), *Worlds of Possibility* (Cambridge: Cambridge University Press, 1997).

III. Future Challenges and Ambitious Visions for Addressing Them

Even if reformers in some states are able to capitalize on the process of bootstrapping reform to create a system of collaborative adjustment, their efforts may be insufficient for the new system to thrive in the long run. The hostility toward human services in the larger U.S. policy debate, as reflected in the legislative agendas and strategies of leaders in both major political parties,¹⁰ may lead to policy decisions that deprive any type of human services system (whether collaborative, devolved, accountable, or otherwise) of sufficient funds to assist children and families effectively. The following discussion suggests that despite these challenges, collaborative adjustment's potential to combine substantive and situational learning offers reformers more cause for hope than they might otherwise entertain.

While systemic reforms have had a noticeable impact in some communities in a handful of states, the fiscal future of human services is limited indeed if a larger coalition does not develop that supports public spending to assist children and families who face disadvantages. The change strategies of multiple leverage points and iterative learning have served proponents of systemic reform well in their internecine struggles to link state and local interagency collaboratives in pilot initiatives, but the national policy debate has largely ignored these developments. It remains to be seen whether reformers can construct or ally with a powerful coalition that favors the policy tools of collaborative adjustment, and translate their initial successes in communities and state legislatures to achieve favorable changes in political party platforms and the electoral arena.

This challenge is complicated by the hybrid nature of the existing support for the emerging reforms. In most states, this coalition includes two groups that favor very different approaches to the intergovernmental financing of human services. One group -- call them the "anti-federalists" -- favors local control of policy responsibility in order to replace state and federal government influence and funding for social programs.¹¹ The other, whom we might call the "joint federalists," favors local planning to improve the flexibility and responsiveness of social policies, supported by technical assistance -- and implemented with funding -- from the state (and ultimately federal) level.¹² Adherents of these two views currently support systemic reform (sometimes uneasily), due to the generic appeal of the idea of improving policy performance through local collaboration in design and service delivery. At some point, however -- perhaps when their economies falter and public revenues decline -- states will have to make hard choices about the extent to which they will fund the service strategies that the new local human services collaboratives design.

¹⁰ See, for example, E. Gillespie and B. Schellhas (eds.), *Contract with America: The Bold Plan by Rep. Newt Gingrich, Rep. Dick Armey and the House Republicans to Change the Nation* (New York: Times Books, 1994); B. Woodward, *The Agenda: Inside the Clinton White House* (New York: Simon and Schuster, 1994).

¹¹ Proponents of this view include those who call for leaving social policy responsibility in the hands of local philanthropies and religious organizations. See, among others, M. Olasky, *The Tragedy of American Compassion* (Washington: Regnery, 1992); N. Glazer, "Towards a Self-Service Society?" *The Public Interest*, Winter 1982; P. Berger and R. Neuhaus, *To Empower People* (Washington: American Enterprise Institute for Public Policy Research, 1977).

¹² For theoretical articulations, see J. Cohen and J. Rogers, *Associations and Democracy* (New York: Verso, 1995); M. Dorf and C. Sabel, "A Constitution of Democratic Experimentalism," *Columbia Law Review* 98(2), 1998.

Given the recent national debate about social spending and devolution, it is tempting to predict that states will take the anti-federalist route and leave the local collaboratives to their own (fund raising) devices. States may reduce their funding for social programs, leaving responsibility for financing human services in local hands, even as they increase local discretion over the design of services. This approach will have all the more appeal in hard economic times, since competitive pressures among the states often result in a "race to the bottom" in redistributive spending.¹³ The prospects for building a coalition in support of a "joint federalist" approach to financing collaborative adjustment are therefore daunting.

Recent developments in the states, as well as the operations of the new system itself, nevertheless suggest the possibility of revitalizing public support for assisting children and families in the states -- and perhaps eventually at the federal level as well. Successful governors from both parties, for example, have actively campaigned in favor of healthy children, families, and communities while running for election. Some have then followed through on this rhetoric by increasing state spending and promoting systemic changes in human services -- *before* both the economic upturn of the mid-1990s and the devolution entailed in the federal welfare reform act.¹⁴ A flurry of interest in early childhood programs has emerged recently in legislatures and governors' offices in other states, following the publication of research findings documenting the critical importance of infants' brain development for their growth and potential to learn.¹⁵ As state initiatives for children and families continue to expand and proliferate,¹⁶ both major parties (and perhaps nascent minor ones) may seek political advantage by promoting collaborative, community-driven approaches to human services policies.

Collaborative adjustment's specific appeal stems from its explicit attention to making social programs more effective by measuring them and determining how to improve them continually, as the System Design Chapter explained. Improvements in the results of human services, such as those recently documented around Savannah, Georgia's new Family Resource Center, and in Missouri's Caring Communities neighborhoods, could help restore a public sense that government can positively affect daily life in troubled families and communities.¹⁷ The existing

¹³ See P. Peterson, *The Price of Federalism* (Washington: Brookings, 1995).

¹⁴ Examples include Governors Dean (D-Vermont), Hunt (D-North Carolina), Z. Miller (D-Georgia), Romer (D-Colorado), and Voinovich (R-Ohio). The ideas behind Oregon's current systems reform efforts originated with then-Governor Goldschmidt's (D) Children's Agenda in the late 1980s. Other governors -- such as Carlson (R-Minnesota) and Carnahan (D-Missouri) -- have actively supported significant reforms of human services, even if their campaigns have not centered around them. (Interviews with state officials in these states and with staff of the National Governors' Association, 1996.)

¹⁵ For the research findings on brain development in infants, see B.D. Perry, R.A. Pollard, T.L. Blakley, W.L. Baker, and D. Vigilante, "Childhood Trauma, the Neurobiology of Adaptation, and 'Use-Dependent' Development of the Brain: How 'States' Become 'Traits,'" *Infant Mental Health Journal* 16(4), pp. 271-296; S. Smith, J. Brooks-Gunn, and P. Klebanov, "Children in Poverty: School Readiness and Emotional Development," in G.J. Duncan and J. Brooks-Gunn (eds.), *Consequences of Growing Up Poor* (New York: Russell Sage Foundation, 1997). My sense of the impact of these findings on state policy discussions comes from interviews with staff of the National Governors' Association and National Association of State Budget Officers (1998), and with governors' policy advisors in a number of states, conducted for a separate study, published as J. Knitzer and S. Page, *Map and Track: State Initiatives for Young Children and Families*, 1998 Edition (New York: National Center for Children in Poverty, 1998).

¹⁶ See Knitzer and Page, *Map and Track*, 1998 Edition.

¹⁷ Georgia Policy Council for Children & Families/Family Connection, "Savannah YFA's Family Resource Center Phase 3 Evaluation: Selected Interim Indicators of Progress" (Atlanta, GA: Policy Council Meeting Handout,

system of human services, in contrast, does not systematically compare and try to improve the effectiveness of different service strategies. The process of policy design in the existing system, moreover, is distant from the everyday lives of clients and voters alike.

In addition to the political appeal of effective policies, then, the processes of collaborative adjustment might also help connect citizens and neighborhood groups with state and local policy makers. Practitioners in states and communities envision the governance entities and processes of collaborative adjustment as intergovernmental civic vehicles for connecting families and citizens to local neighborhoods, linking neighborhoods to counties, linking counties to the state, and so on. In their view, local governance and responsive services can help local residents come to see county program administrators and elected officials -- and, by extension, their state and federal counterparts -- as supportive neighbors, rather than distant public officials.¹⁸

Neighborhood-based problem-solving strategies might become vehicles for organizing a political movement favoring additional government spending to improve and maintain the well-being of children and families.¹⁹ The engagement of a broad range of actors in community partnerships might ultimately foster a new national identity dedicated to pragmatic, collaborative problem solving to support children and families. This identity would be grounded in local communities and span a variety of cultural backgrounds as well.²⁰

These visionary ambitions suggest that the promise held out by the policy tools of collaborative adjustment offers advocates for children and families a new set of causal stories to tell about government efforts to assist families.²¹ Rather than remediating human problems, public programs can prevent poor human outcomes and improve the quality of life in communities. Instead of simply monitoring troubled families and trying to prevent welfare fraud, government can support families and help them become self-sufficient and more supportive of one another.

Anecdotal returns from the states indicate that these new stories may already be bearing at least a little fruit. All of the governors who have campaigned on improving systems for children and families have been reelected at least once -- several more than once, and by resounding margins.²² A number of new states have adopted some of the policy tools of collaborative adjustment in the past year or two, following the examples of leading states.²³ On a local but

November 6, 1997); Philliber Research Associates, *The Status of Caring Communities, July 1997* (Accord, NY: Author, 1997).

¹⁸ Interview with former Georgia state official (1996). Anecdotes from DeKalb County, Georgia, suggest that these relationships have begun to emerge in at least one community. (Interview with county officials, 1996.)

¹⁹ "For most people, mobilizing on behalf of [the conditions affecting families and children] will be simpler if they believe that it is about changing conditions in their own community." Center for the Study of Social Policy, *Systems Change at the Neighborhood Level* (Washington: Author, 1996), p. 3.

²⁰ H. Chang, *Community Building and Diversity: Principles for Action* (San Francisco: California Tomorrow, 1997), p. 36. For a similar argument on a theoretical level, see the discussion of policy making and problem solving across ethnic borderlands in M. Piore, *Beyond Individualism* (Cambridge, MA: Harvard, 1995).

²¹ On the use of causal stories in policy debates, see D. Stone, "Causal Stories and the Formation of Policy Agendas," *Political Science Quarterly* 104: 281-300 (1989).

²² See note 14 above for a list.

²³ Knitzer and Page, *Map and Track*.

equally telling note, a recent real estate advertisement in a Missouri newspaper even boasted that a house for sale was located near a Caring Communities school.²⁴

These nascent yet promising developments suggest the remote possibility that the pragmatism and flexibility of collaborative adjustment -- or other variants of democratic experimentalism -- could eventually hold political appeal as a national or state policy. Systemic human services reforms may offer the potential to increase popular support for social programs and for a political party that promotes them.²⁵

Should such an optimistic scenario come to pass, a bootstrapping approach to designing a new policy will have fostered the growth of political support for the adoption and implementation of the very policy designs it generates. Actors will have learned new things about the interests they have in the emerging policy solution in the course of implementation experiments, and their learning, in turn, will have influenced the balance of power between political coalitions, thereby paving the way for policy change. Successful policy change might thus result from an interactive process, in which the effectiveness and the political support enjoyed by the emerging policy reinforce one another.

The situational lessons that practitioners, elected officials, and the general public will draw from systemic reform -- and eventually from a full-fledged system of collaborative adjustment -- are contingent, however, on substantive achievements. Because reformers themselves are committed to their own ideas only insofar as they succeed in improving policy performance, political support for the emerging system -- both in its current, incomplete form, and once it is fully operational -- depends on its effectiveness. If the emerging system proves effective on the ground and gradually displaces the existing human services system, then the political arrangements surrounding the existing system may be gradually undermined and transformed, instead of persisting in their current, rather intractable form. Alternatively, the policy tools of collaborative adjustment may never be established sufficiently to permit a true test of their effectiveness, or once in place they may prove less promising in practice than they appear in theory. In either of these cases, the piecemeal changes that reformers have achieved thus far may remain management innovations that contest -- rather than transform -- the old policy paradigm and the politics corresponding to it.

IV. Reconsidering Federalism and Social Policy Constraints in Light of Bootstrapping

Bootstrapping's potential to bring about decentralized, piecemeal transformation of the existing system of human services policy making and administration nevertheless suggests re-examining the influence of political institutions on social policies in the U.S. Historical institutionalists who study U.S. social policy often argue that national political institutions in the U.S. have limited the

²⁴ As one state official observed wryly, "We know we're doing something right when real estate agents have *positive* things to say about a social services initiative." (Interview, 1998.)

²⁵ One Republican activist who sits on the board of the Annie E. Casey Foundation, for example, actively encouraged former House Speaker Newt Gingrich (R-Georgia) to adopt community-driven, family-based services as the party's approach to using government to help communities and families solve their own problems. (Interview with a consultant to the Casey Foundation, 1998.)

development of social policies that would constitute a “fully developed” welfare state.²⁶ The Congressional system of representation and the balance of power therein, for example, prevent the construction of a legislative majority favoring universal social policies, except under dire social conditions and brilliant entrepreneurial leadership (as epitomized by President Roosevelt’s New Deal). The two-party system, moreover, encourages non-programmatic electoral strategies premised on attracting the median voter, by enabling the political parties and their candidates for office to demonize one another rather than lay out coherent approaches to public problems. These tendencies may even reinforce one another, as the parties can bemoan the weaknesses of the social policies that Congress enacts, without having to compete with one another to redress those weaknesses in practice. Federalism may also limit the growth of social spending in the U.S., as the fragmentation of political authority among federal, state, and local governments can make building coalitions and coordinating policies more difficult than in unitary states.²⁷

If anything, a number of these obstacles have grown worse at the federal level in recent years. The parties, for example, have increasingly opted to de-emphasize programmatic appeals based on clear policy ideas in favor of poll-driven strategies designed to attract the median voter.²⁸ Even if a finished design for a new system of policy making and administration were fully articulated and available for adoption, it might still go unnoticed by the Democrats and the Republicans, given their intense focus on decimating one another through symbolic politics in order to gain control of Congress and the Presidency.

Attention to developments in the states, however, suggests that more constructive searches for alternative programmatic and even systemic solutions to social problems are underway in some places, and beginning to bear fruit in little ways. Ironically, many of these state experiments have arisen in tandem with or in response to the federal welfare reform legislation, the content of which largely reflected the triumph of symbolic politics and partisan posturing over substantive efforts to help families on public assistance.²⁹ The case studies above even suggest that the crisis stemming from the legacies of the existing New Deal system has inspired some practitioners to search for and experiment with pieces of new policy solutions, without any clear sense at first of what a whole new policy paradigm might look like.

Hence while the new politics of the welfare state may focus on retrenchment or devolution at the federal level,³⁰ proposals for change may also address questions of effectiveness, system-building, and popular participation in the states. Devolution of policy responsibilities from one

²⁶ See, among others, M. Weir and T. Skocpol, “State Structures and the Possibilities for Keynesian Responses to the Great Depression in Sweden, Britain, and the United States,” in P. Evans, D. Rueschemeyer, T. Skocpol (eds.), *Bringing the State Back In* (Cambridge: Cambridge University Press, 1985); M. Weir, A. Orloff, and T. Skocpol, “Understanding American Social Politics,” in M. Weir, A. Orloff, and T. Skocpol (eds.), *The Politics of Social Policy in the United States* (Princeton, NJ: Princeton University Press, 1988).

²⁷ R. Dahl, *Dilemmas of Pluralist Democracy* (New Haven, CT: Yale, 1982); A. Lijphart, *Democracies* (New Haven, CT: Yale, 1984).

²⁸ See L. Jacobs and R. Shapiro, “The Politicization of Public Opinion: The Fight for the Pulpit,” in Weir (ed.), *The Social Divide*.

²⁹ On the political posturing in the debate over the 1996 federal welfare reform bill, see K. Weaver, “Ending Welfare as We Know It,” in Weir (ed.), *The Social Divide*. On promising developments in the states, see M. Wiseman, “Welfare Reform in the United States: A Background Paper,” in *Informing the Welfare Debate: Perspectives on the Transformation of Social Policy*, Institute for Research on Poverty Special Report no. 70 (April 1997).

³⁰ See Pierson, “The New Politics of the Welfare State.”

level of government to another may not necessarily lead to retrenchment of policy commitments across all levels, depending on the ideas and strategies that policy entrepreneurs with alternative visions can bring to bear in state and local arenas.

In this context, intergovernmental coalition-building and advocacy are critical to explaining policy change. In particular, intergovernmental discussions among state officials and networks of policy analysts and advocates are likely to play an increasingly important role in setting the agenda and determining the outcomes of policy changes in the U.S. Intergovernmental coalitions -- and hence approaches to political management that create multiple political leverage points -- are likely to become even more influential than they already are.³¹ Both local governments and community-based organizations -- and even branches of national interest groups -- are likely to step up their lobbying efforts at the state level, and some federal policy makers are in turn likely to lend political support and technical assistance to proposed changes in state policies.³²

Despite these possibilities, the institutional limits on social policy development in the U.S. certainly inhibit reform at the national level, and collaborative adjustment and the process of self-reflective bootstrapping remain at best unproved alternatives, despite the potential suggested here. The intergovernmental alliances that these alternatives entail (bootstrapping's multiple leverage points and collaborative adjustment's state-local partnerships) nevertheless suggest an alternative understanding of how U.S. political institutions shape the possibilities for social policy innovation.

The open, redundant system of checks and balances in our federalist system may encourage piecemeal innovations, which reformers can then harness to link the various levels of government together to support the larger systemic changes toward which initial innovations point. These emerging reforms, in turn, may inspire enthusiasm among the actors who participate in creating and implementing them, giving rise to new administrative constituencies on behalf of human services at the local level -- and possibly across entire states as well. These constituencies may then have the potential to revitalize U.S. political institutions at their respective levels of federalism (e.g., state and local parties), such that they actively begin to support a system of flexible, community-based human services for children and families.

Like some states' creative approaches to welfare reform, the emergence of systemic human services reforms suggests that, when reform possibilities are blocked or stalemated at one level of federalism (e.g., in Washington during the 1980s and 1990s), reformers can work at other levels (e.g., the states) to advance their goals.³³ While federalism may impede social policy development in many circumstances then, for bootstrappers it may be a strategic asset that makes unforeseen changes in existing social policies imaginable when they might not stand a chance in a more unified, less permeable system of government. The multi-faceted, iterative quality of

³¹ On the role of intergovernmental alliances among federal and state officials in policy debates and implementation, see P. Peterson, B. Rabe, and K. Wong, *When Federalism Works* (Washington: Brookings, 1986).

³² The Congressional debate over the federal welfare reform legislation in 1996 illustrated this dynamic clearly, as the National Governors' Association (dominated by Republican governors) drafted key terms of the legislation that Congress then debated and the President subsequently signed.

³³ In other words, political dissensus may push the search for solutions downward with the federal system. S. Teles, *Whose Welfare? AFDC and Elite Politics* (Lawrence, KS: University Press of Kansas, 1996).

bootstrapping reform may be peculiarly suited to the vertical and horizontal fragmentation of power in the U.S., and to the politically contentious, specialized nature of policy innovation that currently confronts the U.S. welfare state. Time, strategy, and luck will tell whether emerging reforms bear out this potential.

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